

# 2021 ANNUAL REPORT.



QR Code for  
website access



## INTRODUCTION

Vision & Mission Statement	02
Code of Business Conduct & Ethics	03
Broad Policy Objectives	04



## ORGANIZATIONAL STRUCTURE

Company information	06
Ownership Structure	07
Profile of Board of Directors	08
Management Team	12
Milestones	13
Certificate of Merit	14
Licenses	15
Principle Business Activity & Markets Including Key Brands Products & Services	16
Competitive Landscape and Market Positioning	19
Chairman's Review	20
Directors' Report	22
Financial and Business Highlights	40



## CORPORATE GOVERNANCE

Review Report to the members on Statement of Compliance	42
Statement of Compliance with the Code of Corporate Governance	43
Audit Committee & its Terms of Reference	46
Directors' Orientation	48
Directors' Training Program	48
Directors' Remuneration Policy	48
Policy on Related Party Transactions	50
Roles of Chairman and Chief Executive Officer	52
Corporate Social Responsibility	55



## FINANCIAL STATEMENTS

Auditors' Report to the Members	59
Statement of Financial Position	63
Statement of Profit or Loss Account	64
Statement of Comprehensive Income	65
Statement of Changes in Equity	66
Statement of Cash Flow	67
Notes to the Financial Statements	68
Pattern of Shareholding	113
Notice of Annual General Meeting	116
Notice to Shareholders	127
Form of Proxy	128

# Vision

---

To be recognized as a responsible asset manager respected for continuingly realizing goals of its investors.

# Mission Statement

---

To build JS Investments into a top ranking Asset Management Company; founded on sound values; powered by refined know-how; supported by a team operating within an accountable framework of social, ethical and corporate responsibility – a strong and reliable institution for its shareholders to own; an efficient service provider and value creator for clients; an exciting and fulfilling work place for employees and a participant worth reckoning for competitors.

## CODE OF BUSINESS CONDUCT AND ETHICS

Our long-term corporate success depends, among other things, on our ability to conduct business in a responsible manner. JSIL has adopted the 'The Asset Manager Code of Professional Conduct' formulated by the CFA Centre for Financial Market Integrity for the purposes of strengthening corporate governance, enhancing compliance culture, and promoting ethical and professional standards among employees. The code defines core values that all employees, especially fund managers, are required to follow when performing business operations or when interacting with colleagues, clients and other stakeholders. It also plays an important role in guiding the Company's efforts to inspire and maintain the trust and confidence of all its stakeholders.

The Code of Conduct and business ethics are essential for every organization. It spells out the behavior expected from employees, reflecting fairness, transparency and accountability. It guides staff members to conduct themselves with honesty and integrity in all actions representing the organization.

We are committed to conduct our business in accordance with applicable laws, rules and regulations as defined by our regulators. It always abide by ethical standards and consider it to be a key business priority. Our Code of Ethics requires that it is necessary to ensure that the appropriate standards of behavior are followed to the letter and spirit in accordance with the approved and agreed Code of Conduct by the employees of JSIL. Adherence of Code of Conduct is mandatory for all employees of JSIL.

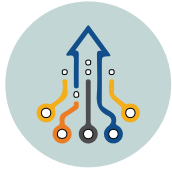


## BROAD POLICY OBJECTIVES



Value creation for clients on a sustainable basis.

---



Maintain high standards of ethical behaviors and fiduciary responsibilities.

---



Manage investments with prudence and with the aim of providing consistent returns better than that of peers.

---



Take products and services to the people; create awareness on understanding financial goals, risks and rewards.

---



Professional Excellence – Adapt, Evolve and Continuously Improve.

---



Maintain highly effective controls through strong compliance and risk management.

---



A talented, diligent and diverse HR.

---

# ORGANIZATIONAL STRUCTURE

## COMPANY INFORMATION

### Board of Directors

Mr. Suleman Lalani  
Ms. Iffat Zehra Mankani \*  
Ms. Aisha Fariel Salahuddin  
Mr. Asif Reza Sana  
Mr. Hasan Shahid  
Mr. Imran Haleem Shaikh  
Mr. Mirza M. Sadeed H. Barlas\*\*\*  
Mr. Zahid Ullah Khan\*\*

Chairman  
Chief Executive Officer  
Independent Director  
Independent Director  
Non-Executive Director  
Non-Executive Director  
Non-Executive Director  
Non-Executive Director

\* Ms. Iffat Zehra Mankani appointed in place of Mr. Hasnain Raza Nensey w.e.f April 15, 2021.

\*\* Mr. Zahid Ullah Khan appointed in place of Mr. Kamran Jafar w.e.f March 18, 2021.

\*\*\* Mr. Mirza M. Sadeed H. Barlas appointed in place of Mr. Tahir Ali Sheikh w.e.f August 09, 2021.

### Chief Executive Officer

Ms. Iffat Zehra Mankani

### Chief Financial Officer

Mr. Zeeshan Khawar

### Chief Operating Officer & Company Secretary

Mr. Muhammad Khawar Iqbal

### Statutory Auditors

KPMG Taseer Hadi & Co, Chartered Accountants

### Legal Advisors

Bawaney and Partners

## BOARD COMMITTEES

### Audit Committee

Mr. Asif Reza Sana (Chairman)  
Ms. Aisha Fariel Salahuddin  
Mr. Hasan Shahid

### Human Resource & Remuneration Committee

Ms. Aisha Fariel Salahuddin (Chairperson)  
Ms. Iffat Zehra Mankani  
Mr. Suleman Lalani

### Executive Risk Management Committee

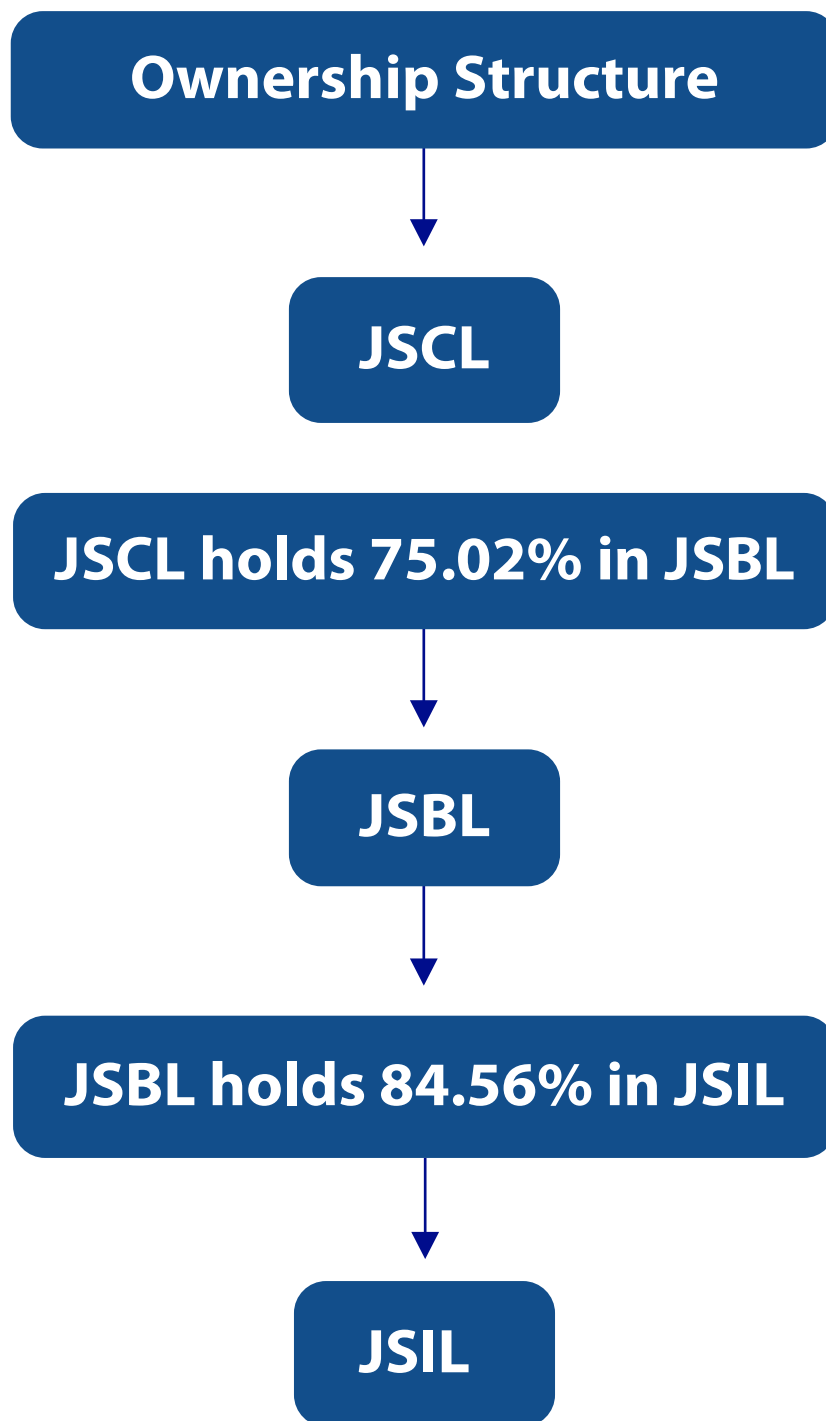
Mr. Suleman Lalani (Chairman)  
Ms. Iffat Zehra Mankani  
Mr. Imran Haleem Shaikh

### Share Registrar

CDC Share Registrar Services Limited (CDCSRSL)  
CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi

### Registered Office

JS Investments Limited  
19th Floor, The Centre, Plot # 28,  
SB-5 Abdullah Haroon Road, Saddar,  
Karachi-75600  
Tel: (92-21) 111-222-626 Fax: (92-21) 35165540  
E-mail: info@jsil.com  
Website: www.jsil.com



## PROFILE OF BOARD OF DIRECTORS

### (a) Mr. Suleman Lalani- Chairman

Mr. Suleman Lalani joined Jahangir Siddiqui & Co. Limited ("JSCL") on March 1, 2012 as Chief Executive Officer. Prior to joining JSCL he was Executive Director Finance & Operations and Company Secretary of JS Investments Limited where he served as CFO and Company Secretary for seven years.

Mr. Lalani started his career with JSCL in 1992 where he worked for over eight years. In year 2000 he was promoted to the position of Chief Operating Officer of Jahangir Siddiqui Investment Bank Limited, a subsidiary of JSCL. In January 2002 he joined The First Micro Finance Bank Limited as its Chief Financial Officer and Company Secretary. Mr. Lalani is a Fellow member of The Institute of Chartered Accountants of Pakistan and has over 25 Years of experience in the financial services sector. He has also completed the Board Development Series Certificate Program conducted by the Pakistan Institute of Corporate Governance.

#### Other Directorship:

Jahangir Siddiqui & Co. Limited - CEO  
Al Abass Sugar Mills Limited - Director  
Shahtaj Sugar Mills Limited - Director  
TRG Pakistan Limited - Director

### (b) Ms. Iffat Zehra Mankani- Chief Executive Officer

Iffat Mankani joined JS Investments Limited in April 2021. She brings with her over 20 years of global experience in both public and private markets across multiple asset classes. During her 11 years working in capital markets in Pakistan, she held various senior strategy and research roles, both on the buy and sell side of the industry. She was associated with JSIL during 2004-2007 as their Chief Investment Officer and in a similar capacity later with BMA Funds from 2007-2012.

In these buy-side roles, she led the successful implementation of a disciplined asset and risk allocation process, resulting in consistent top quartile performance for funds under management. These included some pioneering products in the industry, such as the asset allocation fund, capital protected fund, index fund, an offshore fund, and separately managed accounts. In her most recent role, Iffat was working in the Deals Advisory team at PwC Canada, where she made significant contributions in the space of complex financial instruments and private debt valuations amongst others, helping to steer the business toward sustainable growth. Moreover, she also held diversified roles in the risk management groups of leading Canadian Banks (Bank of Montreal and CIBC) associated with their quants and trading risk oversight teams.

Ms. Iffat holds a Master of Finance from Rotman School of Management (University of Toronto) and a Master of Business Administration from the Institute of Business Administration, Karachi.

**(c) Ms. Aisha Fariel Salahuddin – Independent Director**

Fariel's career spans journalism, investment banking, energy policy advisory and entrepreneurship. She is the founder and Chief Executive Officer of UpTrade, a unique bartering model enabling off-grid farmers to use their livestock as currency in developing rural economies. She has over 10 years of international experience in energy finance, project development and energy policy. Her geographical experience spans Indonesia, Egypt, Pakistan, and the Middle East, North Africa region where she has advised governments and private sector on energy policy, pricing and reforms.

Fariel has done her MPA from Columbia University, New York and BSc from Lahore University of Management Sciences, Lahore.

**Other Directorship:**

Pakistan Paper Products Limited – Director

**(d) Mr. Asif Reza Sana- Independent Director**

Mr. Asif Reza Sana is a senior banker. He is a Private Equity, Banking, Finance, marketing and Corporate Advisor. He was a member of Board of Directors of Askari Bank, Chairman of the board audit committee and member of board risk management committee. His prior career has been with world leading multinationals in the disciplines of Finance, General Management and Marketing.

He has carried out the due diligence assignments of United Bank, Emirates Bank and Askari Bank in Pakistan, Mashreq Bank in Sri Lanka and Habib Sons Bank in South Africa to determine the enterprise value for acquirers running into more than Rs. 50 billion collectively. He was part of the core team managing the former Union Bank of Pakistan. He was appointed advisor to the board of directors in 2000. He was appointed SEVP in Union Bank and was also elected a member of the board of directors. As the executive director of the bank he was also member of the management team, ALCO and the custodian of the monthly business performance review of country group heads of all departments of the bank. He searched, negotiated and closed the sale of Union Bank to Standard Chartered at a landmark price of PKR 29 billion (US\$ 485 million) at the highest multiple in the banking industry.

In 1988 he was headhunted by Philip Morris, then the largest consumer products company in the world (now split into Philip Morris International, Altria Group and Kraft Foods). Here, he was at the forefront of price wars of 1980s between Philip Morris and RJR Nabisco. In 1989 at the beginning of Soviet Block countries disintegration he became member of a task force to establish Philip Morris business in newly formed countries of Central and Eastern Europe through acquisitions, licensing and joint ventures. In 1991, based at the international headquarters in Switzerland, he was appointed to the coveted position of Group Brand Manager of world's legendary and Philip Morris's flagship brand Marlboro that had annual worldwide sales of \$ 26 billion at that time.

He holds an MBA from Quaid-e-Azam University, Islamabad and got his executive training at Institute of Management Development in Lausanne, Switzerland and INSEAD France.

**Other Directorship:**

The Bank of Punjab – Director

**(e) Mr. Hasan Shahid- Director**

With over twenty years of experience in the fields of finance, auditing, internal controls evaluation and re-designing, compliance and taxation, Mr. Hasan Shahid is Chief Financial Officer of JS Bank Limited where he joined in November 2019.

Prior to JS Bank, he was the Director Finance and Company Secretary of the Jahangir Siddiqui & Company Ltd. (JSCL); where he joined as Manager Finance in 2006. He also served as Chief Financial Officer of JSCL from 2012 to 2018. His role encompasses a wide range of matters ranging from financial management, reporting, audit, taxation, compliance with laws and other secretarial matters.

Mr. Hasan Shahid is a fellow member of the Institute of Chartered Accountants of Pakistan (ICAP) and Pakistan Institute of Public Financial Accountants (PIPFA) and holds a Masters degree in Economics from University of Karachi.

**Other Directorship:**

JS Engineering Investments 1 (Private) Limited – Director & CEO

**(f) Mr. Imran Haleem Shaikh- Director**

Mr. Shaikh is Senior Executive Vice President at JS Bank, one of Pakistan's fastest growing banks, with branches located across Pakistan as well as an international presence. The Bank is a leader in the digital banking, SME & consumer loans space. JS Bank has been recognized on multiple international and national forums including the prestigious Asia Money, Asian Banking and Finance, DIGI and Pakistan Banking Awards. The Bank is part of JS Group, one of Pakistan's most diversified and progressive financial services groups.

His role encapsulates both an advisory role to the President & CEO as well as responsibility to lead the Bank's Product, Marketing and Retail Banking teams. Mr. Shaikh is also the primary liaison with the Board of Directors for alignment of the Bank's overall strategic oversight, continuing policy development and performance monitoring.

In addition to his professional commitments, Imran dedicates substantial energy towards social & philanthropic causes through voluntary engagements. He also serves on the Board of JS Bank's charitable partner, Mahvash and Jahangir Siddiqui Foundation. He has been a prolific contributor to various leading publications and a speaker at numerous multilateral conferences. Recognized for his dedication and commitment, Mr. Shaikh strives to build synergistic, long-term, value-adding partnerships & associations.

Mr. Shaikh believes in challenging status quo to bring about a positive change. He graduated with a majors in Marketing from the Institute of Business Management (IoBM) in 2005. Imran has attended a number of executive development courses worldwide including the Global Branding Forum, National Security Workshop at the National Defense University and the Executive Development Program at National School of Public Policy.

**(g) Mr. Mirza M. Sadeed H. Barlas – Director**

Sadeed has over thirty-three years of experience out of which banking experience is above 26 years. He worked for seven years with Siemens in its Medical Division, after getting an Electrical Engineering degree from UET, Lahore. Thereafter, he did his MBA from Lahore University of Management Sciences (LUMS) in 1993 and was awarded Silver Medal with distinction in Statistics and Quantitative Methods.

He started his banking career in Corporate Banking and worked in Commercial Banking, SME Banking, Digital & Microfinance during his career in local and multinational banks. Major part of his career has been in Risk where he worked in all facets of Risk Management covering Credit Risk, Operational Risk, Basel, Market Risk, Consumer Risk, etc. He worked in local and foreign banks such as MCB, UBL, Barclays, Telenor Microfinance Bank, and JS Bank in the capacity of CRO and Group Head Risk, etc. His longest stay was with UBL for about 17 years.

Sadeed also served as a member of BOD of UBL Funds Managers, a subsidiary of UBL from 2015 to 2018 as a UBL nominee director and Chaired the UBL Fund's Board Risk and Compliance Committee as well during this assignment. During his work period at UBL, he has been assigned as Group Head Risk International looking after the risk of UBL branches in foreign countries covering UAE, Qatar, Bahrain, etc.

Currently, he is working as CRO JS Bank Ltd, looking after all risk management functions, including Consumer risk, ERM, Mkt risk, Ops risk, Risk Policies, Information Security, etc.

#### **(h) Mr. Zahid Ullah Khan- Director**

Mr. Zahid Ullah Khan has been associated with the capital markets on the buy side for over 15 years. Prior to joining Jahangir Siddiqui & Co. Ltd. as its Chief Investment Officer, Mr. Khan was Chief Investment Officer at JS Investments Limited since 2016, where he was responsible for managing fixed income, money market, equity, venture capital, and pension Unit Trusts.

Previously, Mr. Khan was at JS Bank Limited since 2012, where he served as a Senior Vice President for the bank's risk management function and then moved on to Corporate and Commercial Credit. His core responsibilities included development of various risk management frameworks, modeling term structure of interest rates, engineering tailor-made interest rate products for corporate clientele, devising efficient mechanisms for various equity based margin trading products, and maintaining corporate relationships.

Prior to joining JS Bank Limited, Mr. Khan served as a senior fund manager at JS Investments Limited from 2010 to 2012 where he managed a suite of equity and balanced Unit Trusts.

Preceding his role at JS Investments, Mr. Khan was associated with JS Group as Senior Vice President in a technical role where he developed and deployed High Frequency Trading (HFT) platforms for equities. This function involved extensive development of in-house statistical arbitrage models dependent on instantaneous market variables. Mr. Khan also advised group companies on buy side risk management and for launching ETFs and Market Making initiatives on the asset management and brokerage side. His other assignments included research work on various green field projects in the private equity space.

Mr. Khan started his career with ABAMCO Limited (now JS Investments Limited) in 2004 as a research analyst, and covered Banking and Insurance sectors along with following the money market and developing interest rate models on the fixed income side. Additionally he was given the responsibility to develop and launch new products for the growing AMC. During his tenure at ABAMCO Limited, Mr. Khan developed the first proprietary free float-adjusted market capitalization index in Pakistan and launched the first Open end index fund based on it. He also carries to his credit the launch of first Open end Fund of Funds scheme with an elaborate asset allocation strategy, a Capital Protected Fund and several other in-house initiatives. In 2005, he was promoted as a fund manager, and managed several Unit Trusts.

Mr. Zahid holds a Masters degree in Business Administration from Lahore University of Management Sciences; a Masters degree in Economics from Lahore University of Management Sciences; and a Masters degree in Finance from London Business School.

#### **Directorships:**

JS Petroleum Limited



## MANAGEMENT TEAM



**Ms. Iffat Zehra Mankani**  
Chief Executive Officer

Iffat Mankani has joined JS Investments Limited in April 2021. She brings with her over 20 years of global experience in both public and private markets across multiple asset classes. She was associated with JSIL during 2004-2007 as their CIO and in similar capacity later with BMA Funds from 2007-2012. In her most recent role, Iffat was working with the Deals Advisory team at PwC Canada. In addition to working for over 6 years with leading Canadian Banks in Capital Markets Risk Management and Quantitative teams. Iffat holds MFin. from Rotman School (UofT) and MBA from the Institute of Business Administration (IBA).



**Mr. Hussain Haider**  
Chief Investment Officer

Hussain holds two decades of global experience in investment management, equity advisory & private banking. More recently, he was associated with JS Global Capital as their Chief Strategist & won various CFA Excellence Awards for the firm. He has also been voted as Pakistan's Best Economist and Best Strategist in the AsiaMoney Broker Polls, 2020. An IBA graduate, a CFA Charterholder & a CIPM Certificant, Hussain has also served as Director & Chair, Public Awareness on the Board of a local CFA Society in Canada.



**Ms. Samina Faisal**  
Country Head | Business Development

Samina Faisal has joined JSIL in 2021 & brings with her an overall 32 years of extensive experience in Institutional & Corporate Sales, Wealth Management, & Distribution of Mutual Funds & Bancassurance. Prior to joining JSIL, she was operating her own consulting firm. She has also held key management roles in SCB, Societe Gen. Bank, Pakcom Ltd., Pak-Kuwait, & Citibank. Ms. Faisal holds a Masters in Business Administration degree from the Institute of Business Administration (IBA), Karachi.



**Mr. Abdul Basit Siddiqui**  
Head of Marketing, Distribution & Customer Experience

Basit has 20+ Years of Diversified Experience of segments like Private Banking, Retail Branch Banking, Wealth Management, Consumer Assets, Islamic Banking and Emerging Banks. He has developed and managed substantial portfolios, along with extensive exposure of Integration & mergers of banks. Hold Various Top performers & Role Model Awards.



**Mr. Khawar Iqbal**  
Chief Operating Officer  
& Company Secretary

With over more than 27 years of diversified experience, 2019 to February 2022. Throughout his career Mr. Iqbal has implemented a system of continuous review and introduced changes to bring in efficiencies, simplifications and improvement in the overall quality of his departmental deliverables. His role encompasses a wide range of matters ranging from financial management, reporting, internal control, compliance with laws applicable to the Company and other secretarial matters.



**Mr. Malik Zafar Javaid**  
Chief Compliance &  
Risk Officer

Malik Zafar Javaid carries over 29+ years of experience of capital market operations, Corporate Laws/Regulations and managing business operations. He has expertise in managing business operations of the Financial Sector, Capital Markets, Corporate Affairs, Business Transformations and digitization of Customer On-boarding, automation of KYC/AML system, payment solutions and back-office operations leading towards efficient control and management. He has been part of JSIL's team since 2006.



**Mr. Zeeshan Khawar**  
Chief Finance Officer

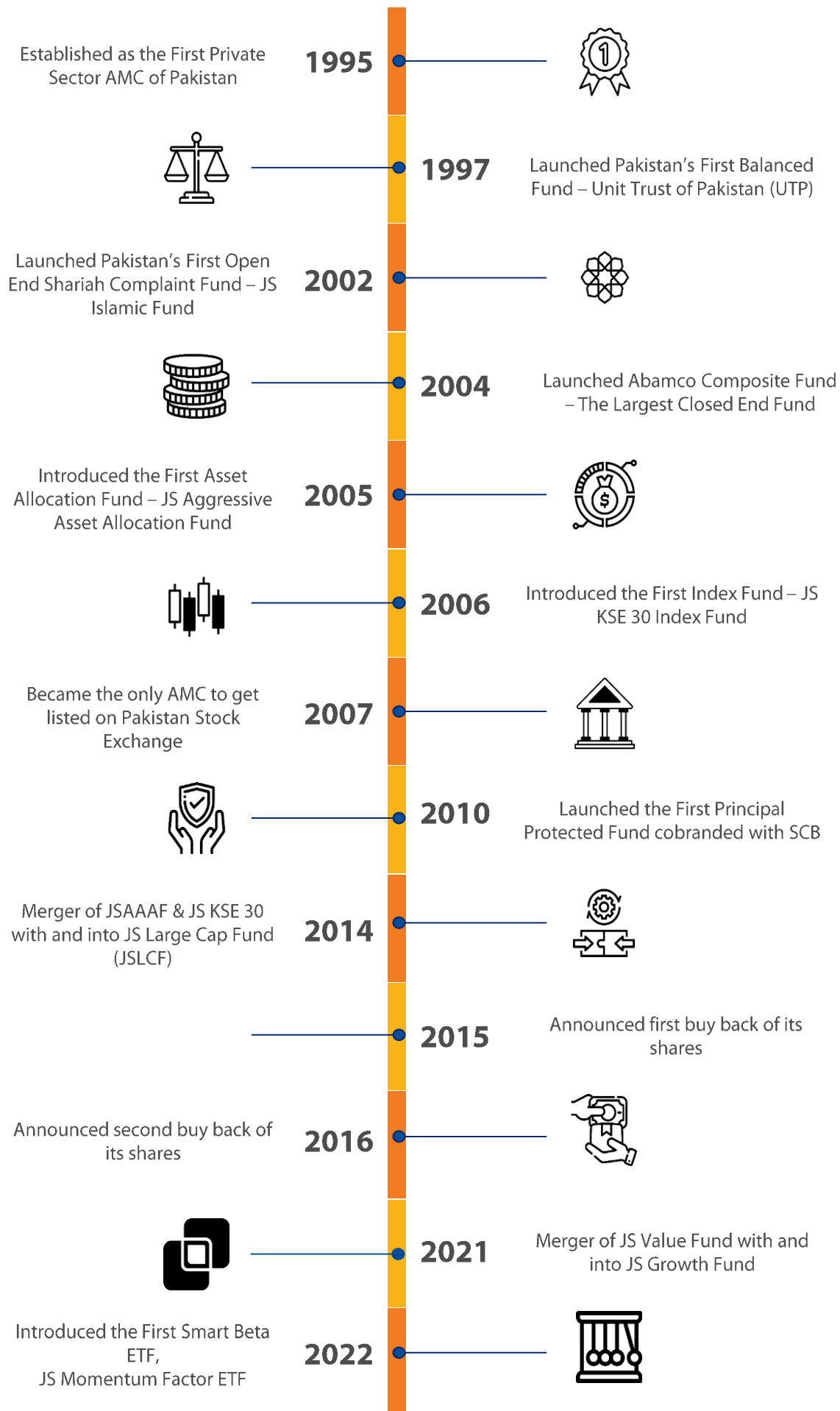
Mr. Zeeshan Khawar has around 19 years of experience covering the ambits of Financial Strategy, Project Management, Internal & External Audit & Risk Management. He is a qualified Chartered Accountant, Certified Internal Auditor & Certified Internal Controls Auditor. Mr. Khawar's last Job was in Al Ghurair Foods UAE & Sri Lanka as CFO. Prior to this, he was working with Al-Ghurair Investments UAE as Group Audit & Risk Head for 3.25 years & has also worked with State Audit Institution - UAE for 3.5 years. Mr. Zeeshan started his career with KPMG & besides Pakistan has worked in UK & UAE for 7 years.



**Mr. Muhammad Anwer**  
Head of Information  
Technology

Mr. Anwer has 18 years of experience covering Infrastructure, ERP implementation, Data Centre, DR & Project Management. Prior to JSIL he was working with Dawood Family Takaful as Head of Information Technology, where he lead the ERP, CRM, Online Digital Payment, Portal development & implementation teams and was given an additional responsibility of Chief Information Security Officer. In the past, Mr. Anwer served Pak Qatar Takaful, Millennium Software, PICIC Insurance, & International General Insurance Limited (IGI).

# MILESTONES



## CERTIFICATE OF MERIT



The joint Committee of Institute of Chartered Accountants of Pakistan and Institute of Cost and Management Accountants of Pakistan awarded Certificate of Merit to the Annual Report of 2020 of JS Investments Limited under Best Corporate and Sustainability Reports Awards 2020.



South Asian Federation of Accountants (SAFA), Committee for Improvement in Transparency, Accountability & Governance Awarded Certificate of Merit to the Annual Report of 2020 of JS Investments Limited under Best Presented Annual Report and Integrated Reporting.

## LICENSES

SECP has granted renewed license No. AMCW/11/JSIL/AMS/05/2019, dated June 14, 2019 to JS Investments Limited under Rule 5 of the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 as amended through S.R.O.1131 (1) 2007, S.R.O.271(I)/2010, S.R.O 570(I)/2012 and S.R.O 1002(i)/2015 (the "Rules"), to undertake asset management services.

### Investment Advisory

SECP has granted renewed license No. AMCW/11/JSIL/AMS/05/2019, dated June 14, 2019 to JS Investments Limited under Rule 5 of the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 as amended through S.R.O.1131 (1) 2007, S.R.O.271(I)/2010, S.R.O 570(I)/2012 and S.R.O 1002(i)/2015 (the "Rules"), to undertake investment advisory services.

### Voluntary Pension Scheme Management

SECP has granted Registration No. SECP/PW/Reg-03/2007, dated January 8, 2007 to JS Investments Limited under Rule 5(2) of the Voluntary Pension System Rules 2005, to undertake business as a Pension Fund Manager.

### Private Equity and Venture Capital Fund Management Services

SECP has granted license No. SECP/JSIL/PE&VC/03/2021 dated September 15, 2021 to JS Investments Limited under Rule 5 of the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 as amended through S.R.O.1131 (1) 2007, S.R.O.271(I)/2010, S.R.O 570(I)/2012 and S.R.O 1002(i)/2015 (the "Rules"), to carry out Private Equity and Venture Capital Fund Management Services.

### REIT Management Services

SECP has granted license No.SCD/PRDD/REIT/JSIL/2020/02, dated July 28, 2020 to JS Investments Limited under Rule 5 of the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 to carry out REIT Management Services.

# PRINCIPLE BUSINESS ACTIVITIES AND MARKETS INCLUDING KEY BRANDS, PRODUCT AND SERVICES.

## MUTUAL FUND CONVENTIONAL

### JS CASH FUND



JSCF is an open-end 'Money Market Scheme' that mainly invests in low risk short term fixed income instruments including money market instruments to provide a regular and reasonable return to investors while ensuring high liquidity. The Fund shall invest primarily in short duration instruments and may even hold some or all of its assets in cash for the purpose maintaining liquidity.

Category: Money Market Scheme

Launch Date: 29 March, 2010

Risk Profile: Low

Mainly Invest In: Short duration Instruments

### JS INCOME FUND



JSIF is an income fund that aims to preserve investor's capital while providing a regular stream of current income on an annual basis which is higher than that offered by commercial banks on deposits of a similar liquidity profile as this fund. The fund operates a diverse portfolio of investment-grade debt securities, government securities and money market instruments.

Category: Income Fund Scheme

Launch Date: 26 August, 2002

Risk Profile: Medium

Mainly Invest In: Debt Securities, Government Securities and Money Market Instruments

### JS GROWTH FUND



The objective of the JSGF is to enable its investors to participate in a diversified portfolio of high quality equity securities aiming at maximizing the investment return by prudent investment management.

Category: Equity Scheme

Launch Date: 06 June, 2006

Risk Profile: High

Mainly Invest In: Equity Securities

### UNIT TRUST OF PAKISTAN



UTP is a balanced fund that aims to preserve and grow investor's capital in the long term while providing a regular stream of current income on an annual basis. The fund operates a diverse portfolio of equity and fixed income investments whereby the equity component is meant to provide the growth in capital while dividends on the equity component along with the fixed income investments help generate the current income.

Category: Balanced Scheme

Launch Date: 27 October, 1997

Risk Profile: High

Mainly Invest In: Shares and Fixed Income instruments

### JS FUND OF FUNDS



JSFoF is a fund of funds that aims to grow investor's capital in the long term while diversifying the asset manager risk bundled together with the benefits of an asset allocation fund. The fund operates a diverse portfolio of equity, balanced, fixed income and money market funds (both open and closed ended) with the option to adjust the asset mix as equity markets rise or fall and the economy strengthens or weakens.

Category: Fund of Fund Scheme

Launch Date: 31 October, 2005

Risk Profile: Medium

Mainly Invest In: All categories of Mutual Funds

### JS LARGE CAP. FUND



JSLCF is an open-end Equity Scheme that aims to benefit from an attractive Capital Market in an economy with growth potential, to maximize the total investment return consisting of a combination of capital appreciation and dividend income. Consistent with its investment objective, the Fund shall invest primarily in equity securities of listed large-cap companies with market capitalization of over Rupees one billion.

Category: Equity Scheme

Launch Date: 14 May, 2004

Risk Profile: High

Mainly Invest In: Equity Securities

## MUTUAL FUNDS – SHARIAH COMPLIANT

### JS ISLAMIC DAILY DIVIDEND FUND



The Objective of the JSIDDF is to meet liquidity needs of the investors by providing daily dividend through investment in Shariah Compliant money market instruments.

Category: Shariah Compliant Money Market Scheme

Launch Date: 03 September, 2020

Risk Profile: Low

Mainly Invest In: Money Market Instruments

### JS ISLAMIC INCOME FUND



The objective of JSIIF is to generate stable returns and ensure capital preservation over medium to long term, by investing primarily in quality Sukuks, Shariah-compliant Government Securities, Shariah-compliant Bank Deposits and other Shariah-compliant debt instruments.

Category: Shariah Compliant Income Scheme

Launch Date: 05 June, 2013

Risk Profile: Medium

Mainly Invest In: Shariah Compliant Government Securities, Bank Deposits and Debt Instruments

### JS ISLAMIC HYBRID FUND OF FUND



JSIHFOF offers investors with long-term capital growth through prudent investment management and diversification across Asset Manager and Asset classes. The Fund maintains a diversified portfolio of Equity, Balanced, Fixed income and money market Funds.

Category: Shariah Compliant Fund of Funds Scheme (CPPI) - Allocation Plan

Launch Date: 07 June, 2017

Risk Profile: Medium

Mainly Invest In: All categories of Shariah Compliant Mutual Funds

### JS ISLAMIC FUND



JSISF offers investors with Shariah Compliant equity-based performance through prudent investment management. The Fund maintains a diversified equity portfolio of Shariah Compliant listed companies offering higher value and/or potential growth.

Category: Shariah Compliant Equity Scheme

Launch Date: 27 December, 2002

Risk Profile: High

Mainly Invest In: Shariah Complaint Equities

### JS ISLAMIC DEDICATED EQUITY



The objective of JSIDEF is to provide other 'Fund of Funds' schemes a Shariah compliant avenue for taking exposure in Shariah Compliant Equities.

Category: Shariah Compliant Equity Scheme

Launch Date: 21 March, 2018

Risk Profile: High

Mainly Invest In: Shariah Complaint Equities

## EXCHANGE TRADED FUND

### JS MOMENTUM FACTOR ETF



JSMFETF shall invest in a particular basket of equity securities with a view to track the performance of the Benchmark index. The Benchmark Index is called "JS Momentum Factor Index" and shall be constituted by Management Company and periodically maintained by the Pakistan Stock Exchange.

Category: Exchange Traded Fund

Launch Date: 07 January, 2022

Risk Profile: High

Mainly Invest In: Equity Securities

## VOLUNTARY PENSION SCHEMES

### JS PENSION SAVINGS FUND



JSPSF provides a reliable source of savings and retirement income to individuals. JSPSF provides individuals the flexibility and portfolio customization through allocation of such contributions among equity, income and money-market sub-funds suited to specific needs and risk profile of the investor.

Category: Voluntary Pension Scheme

Launch Date: 26 June, 2007

Risk Profile: Investor Dependent

Mainly Invest In: Equity and Fixed Income

### JS ISLAMIC PENSION SAVINGS FUND



JSIPSF provides a reliable source of savings and retirement income to individuals. JSIPSF provide individuals the flexibility in contributions and portfolio customization through allocation of such contributions among equity, income and money-market sub-funds suited to specific need and risk profile of the investor.

Category: Shariah Compliant Voluntary Pension Scheme

Launch Date: 16 June, 2008

Risk Profile: Investor Dependent

Mainly Invest In: Equity, Fixed Income and other Halal Investments Avenues

### Separately Management Account

A customized investment solution for high net worth and large corporate customers. An SMA is a portfolio of investments that is managed on customer's behalf by a dedicated Investment Manager. The portfolio is customized according to customers' financial requirements and risk tolerance.

### Digital Customer Onboarding

A completely digital & seamless customer on boarding of regular & sahuat sarmayakari customers through the website. So that people can start investments for anywhere and anytime.



## COMPETITIVE LANDSCAPE AND MARKET POSITIONING

(considering factors such as the threat of new competition and substitute products or services, the bargaining power of customers and suppliers, and the intensity of competitive rivalry).

**Strength:** Below are the Strengths in the SWOT Analysis of JS Investments:

1. Part of JSCL, first securities company in Pakistan with a Wall Street Pedigree
2. A diversified investment product suite to cater to the needs of all investors
3. Strong brand with decades of experience
4. Technology and innovation based forward thinking management

**Weaknesses:** Below are the Weaknesses in the SWOT Analysis of JS Investments:

1. Concentrated Asset Under Management
2. Clientele targeted towards a singular segment

**Opportunities:** Below are the Opportunities in the SWOT Analysis of JS Investments:

1. Expand its operations in different geographies
2. Include more products in the portfolio
3. Potential to grow the overall investor base through education
4. Potential for improvement in equity market outlook

**Threats:** Below are the Threats in the SWOT Analysis of JS Investments:

1. Dependent on market economic indicators resulting in unpredictable future
2. Heavy competition from AMCs and new investment opportunities e.g. crypto & NFTs leading to limited market share
3. Low income & high inflation of the country, leading to a lower saving and investment ratio



## CHAIRMAN'S REVIEW

I am pleased to present the report on the overall performance of the Board and the effectiveness of its role in achieving the Company's strategic business objectives as well as ensuring overall compliance with The Companies Act, 2017 and The Listed Companies (Code of Corporate Governance) Regulations, 2019. The Board performed its duties diligently in the best interest of the Company. I, as Chairman of the Board, ensured that the board meetings are held in a congenial atmosphere focusing on achieving the objectives.

During the year under review, the Company faced many operational challenges especially due to prevailing circumstances caused by the Covid-19 outbreak. The Management of the Company is putting its best efforts to achieve profitability and market share.

The composition of the Board of Directors reflects a mix of varied backgrounds and rich experiences in business, finance and banking. It represents an excellent balance of executive and non-executive directors including independent directors, having strong financial and analytical abilities, core competencies, and industry knowledge to lead the company.

During the year, the Board of Directors focused on the future strategy including setting the financial and operational targets. The Board regularly tracked the progress against the budgeted targets. The sub-committees of the Board also performed their functions as per their terms of reference during the year under review. The Board reviewed its effectiveness and performance during the year, which has been satisfactory.

During a year of macro-economic headwinds and extremely volatile market movements, the growth was driven by investor demand for low-risk investment solutions like Income and Cash Funds. The sluggish economy, on account of COVID 19 and the commodities boom led to disappointing equity market performance. The funds under management of JSIL also witnessed significant attritions during the year leading to a loss of PKR 300 million. However, with the team efforts and support of the customers, JSIL managed to avoid any reduction in Assets under Management (AUM) and kept them stable at PKR 22.77 billion in CY 2021.

The Company has recently launched a new product, namely JS Momentum Factor Exchange Traded Fund. Going forward, the Company is targeting sustainable AUM growth by offering innovative niche products, as well as customized investment solutions covering the entire risk/return spectrum. The Company is expected to achieve profitability in the future due to a shift towards a leaner and more cost-efficient model, driven by technology and automation. The optimization in organizational structure is aligned with the aspirations of the Board and the shareholders.

I would like to acknowledge the contribution of all members of the Board who put in a lot of time and effort. A well-composed board brings a diverse range of expertise, perspectives and knowledge to provide quality strategic direction to the management. The Board has performed its duties and responsibilities diligently and has contributed effectively in guiding the Company in its strategic affairs. The Board recognizes that well-defined corporate governance processes are vital to enhance corporate accountability and is committed to ensuring high standards of corporate governance to preserve and maintain shareholders' value.

I wish to place on record my appreciation for the support received by the Company from the Securities & Exchange Commission of Pakistan which has exhibited itself to be a model Regulator in 2021 with its response to the COVID crisis and has set a new standard concerning the resolution of industry issues, thereby paving the way for the Trillion Rupee Assets under Management (AUM) mark and beyond. Needless to say, other key stakeholders who deserve appreciation are the dedicated staff of JS Investments, unitholders who entrusted us with their savings and our shareholders for their continued support and confidence.

**Suleman Lalani**  
Chairman

Karachi  
February 23, 2022

## چیرمین کا جائزہ

میں بورڈ کی مجموعی کارکردگی اور کمپنی کی اسٹریٹجک کاروباری مقاصد کے حصول کے ساتھ ساتھ کمپنیز ایکٹ 2017 اور سیکیورٹیز ایکٹ 2019 کے ضوابط کی مکمل تعمیل کو یقینی بنانے میں اس کے کردار کی تاثیر پر رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہا ہوں۔ بورڈ نے کمپنی کے بہترین مفاد میں اپنے فرائض تذبذب سے انجام دیے۔ میں نے بورڈ کے چیرمین کی حیثیت سے اس بات کو یقینی بنایا ہے کہ بورڈ کے اجلاس ایک خوشگوار ماحول میں ہوں جس میں مقاصد کے حصول پر توجہ مرکوز کی جائے۔

زیر جائزہ سال کے دوران، کمپنی کو کوویڈ - 19 کی وباء کے سبب خاص طور پر موجودہ حالات کی وجہ سے بہت سے آپریشنل چیلنجز کا سامنا کرنا پڑا۔ کمپنی کی انتظامیہ منافع اور مارکیٹ شیئر کے حصول کے لیے اپنی بہترین کوششیں کر رہی ہے۔

بورڈ آف ڈائریکٹرز کی تشکیل مختلف پس منظر اور کاروبار، مالیات اور بینکنگ میں بے تباہ تجربات کے امتزاج کی عکاسی کرتی ہے۔ یہ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز بشمول انڈیپنڈنٹ ڈائریکٹرز کے ایک بہترین توازن کی نمائندگی کرتا ہے، جس میں مضبوط مالیاتی اور تجزیاتی صلاحیتیں، بنیادی اہلیتیں اور کمپنی کی قیادت کرنے کے لیے صنعت کا علم ہے۔

سال کے دوران بورڈ آف ڈائریکٹرز نے مالیاتی اور آپریشنل اہداف کا تعین سمیت مستقبل کی حکمت عملی پر توجہ مرکوز کی۔ بورڈ نے باقاعدگی سے بجٹ اہداف کے خلاف پیش رفت کا سراغ لگایا۔ زیر جائزہ سال کے دوران بورڈ کی ذیلی کمیٹیوں نے بھی اپنی شرائط کے مطابق اپنے کام انجام دیے۔ بورڈ نے سال کے دوران اپنی تاثیر اور کارکردگی کا جائزہ لیا جو اطمینان بخش رہا۔

میکرو اکنامکس کی مخالف ہواؤں اور شدید اتار چڑھاؤ کی مارکیٹ کی حرکات کے سال کے دوران سرمایہ کار کی کم خدشات کے انویسٹمنٹ سلوشن، جیسے انکم اینڈ کیشن فنڈز میں دلچسپی اور طلب سے ترقی کی رفتار میں اضافہ ہوا۔ COVID 19 کی وجہ سے معاشی سست روی اور اجناس میں غیر متوقع اضافے کے سبب ایکٹیوٹی مارکیٹ کی کارکردگی مایوس کن رہی۔ سال کے دوران JSIL کے زیر انتظام فنڈز پر مایوسی کی کیفیت نمایاں رہی جس کی وجہ سے 300 ملین پاکستانی روپے کا نقصان ہوا۔ لیکن ٹیم کی کاوشوں اور صارفین کے تعاون سے JSIL انتظامیہ کے تحت اثاثہ جات (AUM) میں کسی بھی قسم کی کمی سے بچنے میں کامیاب رہی اور انہیں کلینڈر سال 2021 میں 22.77 ملین پر مستحکم رکھا۔

حال ہی میں کمپنی نے JS موئنٹم فیکٹر ایکٹیوٹیز ٹریڈ فنڈ کے نام سے ایک نئی پراڈکٹ کا اجراء کیا۔ آئندہ AMC مستحکم AUM ترقی کا ہدف مقرر کرے گا جس کیلئے جدت پر مبنی اعلیٰ مصنوعات پیش کرنے کے ساتھ ساتھ خصوصی انویسٹمنٹ سلوشنز پیش کئے جائیں گے جس میں مکمل خدشات / آمدنی کا احاطہ کیا جائے گا۔ کم تر اور زیادہ باکفایت ماڈل پر منتقلی سے جو ٹیکنالوجی اور آٹومیشن پر مبنی AMC کی منفعت میں بہتری آئے گی۔ اداراتی اسٹریٹجی میں بورڈ اور شیئر ہولڈرز کی خواہشات کے مطابق اصلاح کی گئی ہے۔

میں بورڈ کے ان تمام ارکان جنہوں نے بہت وقت اور محنت کی، کے تعاون کا اعتراف کرنا چاہتا ہوں۔ ایک اچھی طرح سے مرتب شدہ بورڈ انتظامیہ کو معیاری اسٹریٹجک سمت فراہم کرنے کے لیے متفرق مہارت، نقطہ نظر اور علم لاتا ہے۔ بورڈ نے اپنے فرائض پوری تذبذب سے سرانجام دیے ہیں اور کمپنی کو اس کے اسٹریٹجک امور میں رہنمائی کرنے میں موثر کردار ادا کیا ہے۔ بورڈ تسلیم کرتا ہے کہ کارپوریٹ اختساب کو بہتر بنانے کے لیے اچھی طرح سے متعین کردہ کارپوریٹ گورننس کے طریقہ کار انتہائی ضروری ہیں اور بورڈ کارپوریٹ گورننس کے اعلیٰ معیار کو یقینی بنانے اور شیئر ہولڈرز کی قدر کو برقرار رکھنے کے لیے پرعزم ہے۔

میں کمپنی کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی طرف سے موصول ہونے والی معاونت پر اپنی تحسین ریکارڈ کرنے کا خواہشمند ہوں، جس نے واضح طور پر COVID بحران پر اپنے رد عمل کے ساتھ 2021 میں ایک ماڈل ریگولیٹر ہونا ظاہر کیا ہے اور صنعت کے مسائل کے حل کے سلسلے میں ایک نیا معیار قائم کیا ہے، جس سے ٹریلین روپے کی زیر انتظامیہ اثاثہ جات (AUM) حد اور اس سے آگے کی راہ ہموار ہوگی۔ یہ کمپنی کی ضرورت نہیں کہ تعریف کے مستحق دوسرے اسٹیک ہولڈرز جے ایس انویسٹمنٹس کے پُرلگن اسٹاف، یونٹ ہولڈرز جو اپنی سیوونگنز سے ہم پر بھروسے کرتے ہیں اور ہمارے شیئر ہولڈرز کی ان کی مسلسل تعاون اور بھروسہ ہیں۔

سلیمان لالانی  
چیرمین

کراچی

23 فروری 2022

# DIRECTORS' REPORT TO THE SHARE HOLDERS

## FOR THE YEAR ENDED DECEMBER 31, 2021

We are pleased to present the audited financial statements and auditors' report of JS Investments Limited (JSIL) for the year ended December 31, 2021.

### PRINCIPAL BUSINESS

JSIL, a public listed company, was incorporated in Pakistan in 1995. The company operates under the licenses of Investment Advisory, Asset Management Company, Pension Funds Manager, REIT Management Services, and Private Equity & Venture Capital Fund Management Services. All licenses were obtained from the Securities & Exchange Commission of Pakistan (SECP) under applicable laws.

### ECONOMY:

Similar to the latter half of 2020, global economies navigated through a managed re-opening of economies supported by accommodative monetary and fiscal policies. To recall, Pakistan saw the Central Bank and Federal Government embark on an expansionary stance from March 2020 through most of 2021. The policy rates were slashed to 7% by the State Bank of Pakistan (SBP) while the Federal Government introduced a Rs. 1.25 trillion fiscal support package. Accommodative fiscal and monetary policies led the country to record a GDP growth of 3.94% for FY2021. The prime indicator for manufacturing activity in the country, the Large Scale Manufacturing Index (LSM), marked a 3-year high of 15% during the year. IMF Extended Fund Facility (EFF) program was resumed successfully during the year along with the successful issue of Eurobonds.

The recovery of the global economy amid supply chain bottlenecks led to an across the board increase in ferrous and non-ferrous commodities. Resultantly, headline inflation rose -continuously during the calendar year. Food inflation inched up from 7.3% to 11.7% between January and December. Headline numbers rose as well; from 5.7% in January 2021 to 12.3% in December 2021. This unprecedented rise became a major concern for the State Bank of Pakistan (SBP). Further, external pressures were seen rising as the Current Account Deficit (CAD) reached USD 10.2 billion against CAD of USD 1.3 billion last year. Rupee devalued against US Dollar by 10.3% to close at 176.5 from a level of 159.9 at the beginning of the year. These factors led the SBP to reverse its dovish stance and tighten monetary policy, by increasing the policy rate from 7.0% to 9.75%.

Going forward, we note the current challenges to the macroeconomic landscape are well addressed through various policy tools. Our confidence further stems from the size and pace of monetary tightening, increased Cash Reserve Requirement for banks, free-market determination of the exchange rate, tighter import controls, and increased duties on non-essentials. These measures are expected to reduce the stress on Current Account Deficit (CAD) and control inflation. On the other hand, the revival of the IMF EFF program should make way for multilateral flows and introduce discipline on the macro front.

### EQUITY MARKET PERFORMANCE:

The KSE-100 initially peaked with a 8.2% return as of June 2021. Fruits of accommodative policies and vaccination roll-out helped the economy resurface setting the pace for healthy economic growth. Further, the resumption of the IMF program and a growth-oriented Federal Budget for FY22 improved market sentiments although the improvement was short lived as concerns emerged in the latter half of 2021.

During 2021, global demand staged a V-shaped recovery as successive waves of the corona virus did not result in higher mortality rates. As COVID became the new normal, economic activity resumed. The impact of record global monetary and fiscal stimulus resulted in deepening the pockets of the average consumer through unemployment benefits, cash cheques by governments and reduced expenditure due to work from home policies. The combination of a sharp recovery in global demand and persistent supply chain bottlenecks led to a rise in commodity prices that considerably worsened Pakistan's CAD during the second half of the year.

The KSE-100 reversed course after June 2021 and ended the year up 1.9% and down 6% from its mid-year peak as the market priced in changing fundamentals.

Technology & Communication, Commercial Banks & Fertilizer were the largest positive contributors to the index while Cement, Oil & Gas Marketing, Refineries, and Pharmaceuticals underperformed. Traded value for the year rose to Rs. 16.9 billion from Rs. 12.3 billion last year, an increase of 37% on a year-on-year basis. Foreigners continued to remain net sellers in the market with an outflow of USD 359 million. The liquidity was primarily absorbed by individuals (USD 245 million) and companies (USD 107 million).

### **MONEY MARKET PERFORMANCE:**

For the majority of 2021 the SBP maintained negative real interest rates in order to revive demand amid the pandemic. However, worsening inflation and CAD due to higher commodity prices led the SBP to embark on monetary tightening with a cumulative hike of 275bps at the tail-end of the year to bring the policy rate to 9.75%. This yield curve shifted upward and flattened as spot rates rose more than longer tenor yields..

With the focus of SBP and the Ministry of Finance aligned to promoting economic growth, we're expecting interest rates will peak in 2022. Investors are currently in a risk-off mode as many risks abound on the commodity prices and geopolitical front are major headwinds for monetary policy outlook. Therefore, investor interest remained primarily towards the shorter tenor papers. During CY2021, the cut-off for the 3M, 6M and 12M T-bill has increased from 7.14%, 7.19% and 7.29% to 10.39%, 11.32% and 11.48%, respectively.

### **THE ASSET MANAGEMENT INDUSTRY**

At the end of CY21, Assets Under Management (AUM) of the mutual fund industry stood at Rs. 1.126 trillion (excluding Fund of Funds structures) showing a growth of 19% (Rs. 179.3 billion) from a December 2020 level of Rs. 946 billion. AUMs of conventional schemes grew by 19% to reach Rs. 690 billion (excluding Fund of Funds structures) at the end of the year. AUMs of shariah compliant schemes grew by 15% i.e. Rs. 56.9 billion to reach Rs. 435 billion (excluding Fund of Funds structures).

CY21 was a volatile and uncertain year due to COVID-19 as the rise in commodity prices and geopolitical tensions led to worsening fundamentals and weaker sentiment. The SBP raised the policy rate from 7.0% to 9.75% due to external imbalances and mounting inflationary pressures.

Dampened equity market performance and rising fixed income yields led to a net inflow in the Cash & Income Funds category of Rs. 126 billion for the whole industry. The split of this inflow was Rs. 93 billion in the conventional space and Rs. 33 billion in the Shariah Compliant space.

## PRINCIPAL RISKS & UNCERTAINTIES

Key sources of uncertainty emanating from the challenging environment the company operates in, pose political, social, technological, economic and/or legal risk factors. JSIL's management has performed a robust and systemic review of those risks that could affect the company's performance, prospects, reputation, or ability to deliver on its commitments. JSIL's overall risk management program focuses on the unpredictability of financial markets arising from those risk factors and seeks to minimize potential adverse effects on its financial performance.

Assets under management (AUM) of the asset management industry showed promising growth in FY21 and crossed Rs.1 trillion. Due to the risk averse stance of many corporates amid rising fixed income yields, AUMs in this asset class showed promising growth. However, the retail mutual fund penetration in Pakistan remain very low and in addition to increasing awareness, the government is encouraging Asset Management Companies (AMCs) to enhance access to mutual funds to a wider geographical reach by leveraging technology. As a result, asset management companies are upgrading their existing unit management systems and sales processes to enable digital on boarding for their clients and accelerate client acquisition. Concurrently, the government is also cautious on issues relating to 'Know Your Customer (KYC)' requirements to cope with 'Anti Money Laundering' (AML) and 'Combating the Financing of Terrorism (CFT)', which puts high regulatory responsibility on AMCs to diligently perform Customer Due Diligence (CDD). JSIL is committed to ensuring compliance with these regulations.

## PERFORMANCE REVIEW

Due to stagnant equity market performance on account of COVID 19, the industry-wide main focus has been on low margin products like Cash & Income Funds category resulting in a substantial decline in the management fee earned by the company. The recovery of mutual funds/VPS portfolio values going forward are expected to contribute positively to the profitability of the Company. JSIL posted a net after-tax loss of Rs. 300.08 million (LPS of Rs. 4.86) as of December 31, 2021 vs. a loss of Rs. 39.80 million (LPS of Rs. 0.64) in 2020. The pre-tax loss was reported at Rs. 288.74 million in 2021 vs. a loss of Rs. 22.99 million in 2020. Gross income of Rs. 52.85 million was earned during the year vs. Rs. 333.65 million last year. The company earned fee from funds under management (including Separately Managed Accounts - SMAs) of Rs. 157.36 million compared to Rs. 174.83 million during the corresponding period last year. The assets under management (excluding SMAs & Fund of Funds) were Rs. 22.77 billion compared to Rs. 23.8 billion as of December 31, 2021, depicting a decrease of 4%.

Summary of operating results for the year	Year ended December 31, 2021	Year ended December 31, 2020
	Rupees in thousand	
Shareholders' Equity	1,504,448	1,774,987
Management Fee (Including SMA)	157,362	174,834
Sales Load (Net)	465	4,096
Investment (Loss)/Income	(104,977)	154,716
Total Revenue	52,850	333,646
Operating expenses	(331,829)	(336,458)
Operating Loss	(278,979)	(2,811)
Other net operating Loss	(9,756)	(20,181)
Loss before tax	(288,735)	(22,992)
Taxation-net	(11,340)	(16,808)
Loss after tax	(300,075)	(39,801)
Loss per share - basic and diluted (Rs.)	(4.86)	(0.64)



## MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the company occurred during the period to which the balance sheet relates and the date of this report.

## FUTURE OUTLOOK

The investment management industry is still in a nascent stage despite upside surprises over different economic cycles. With assets under management of Rs 1 trillion of which 45% are invested in cash funds only, we feel there is a lot to be done on this side of the world. Due to technological advancements and an enabling regulatory environment in the recent past, we are excited about the future prospects and believe these developments will enable us to create outreach and increased financial literacy while simplifying operational processes.

Building trust, maintaining relationships, and delivering investment returns are the foundations of our business. While these qualities will endure and remain our focus, we understand that regulatory scrutiny around value for money and transparency, disruptive technology, and new investor preferences, necessitate that firms adapt and innovate if they are to flourish in the new order. Revisiting our original strength i.e. "Product Innovation," we will strive to develop investors' (especially middle class investors) thought process and asset allocation habits in the next five years beyond traditional asset classes. Our growth strategy is focused on the understanding that the financial industry will always be moving forward and changing with the world around it. Therefore, we will constantly be rethinking and finding new and better solutions for our clients. Recognizing that algorithms and rule-based decision-making have become ever more ingrained in the investment universe internationally, we have launched our first smart beta ETF JS Momentum Factor ETF in 2022. In the next steps, we plan to launch products in the alternate space including real estate and venture capital.

We are also simplifying the operational processes and digital on boarding for our funds across different online platforms. In this connection, we have partnered with a technology services company to launch a new digital on boarding journey for our retail customers. The solution will allow individuals to open accounts digitally, covering all the key AML and KYC controls with an intuitive and customer-friendly journey. We are also continuously rationalizing our product suite and therefore consolidating similar strategy funds along with re-aligning our organizational structure in line with our vision and enhancing the operational capacity of staff members through different segments of training programs. We also look forward to augment our market reach in new cities and increase our customer base by adopting new marketing strategies.

## SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

During the year the company focused on streamlining its product suite. Firstly, two of JSIL's equity funds; namely the JS Growth Fund and JS Value Fund were merged into one entity bearing the former's name. This was done in order to simplify our equity offerings. In addition to this, we also extended the life of our constant proportion portfolio insurance (CPPI) products. JS Capital Preservation Allocation Plan 5,6,7,8 were initially launched with a 2 year maturity and their life was further extended by another 2 years. Finally we also closed the JSIHFOF Mustahkem and JSIHFOF Mufeed baskets to reduce and simplify our hybrid product offerings.

On 19 February 2021, the Board of Directors of the company passed a resolution approving a Scheme of Amalgamation under Section 284(1) of the Companies Act, 2017, to amalgamate its wholly owned subsidiary, JS ABAMCO Commodities Limited with and into the company, which was approved by SECP on 24 June 2021. Thereafter, as of the effective date 31 March 2021, the entire undertaking of JS ABAMCO Commodities Limited is merged with and into the company.

# CORPORATE GOVERNANCE AND FINANCIAL REPORTING FRAMEWORK

The Directors are pleased to state as follows:

- a. The financial statements, prepared by the management of JSIL present fairly the state of affairs, results of its operations, cash flows, and changes in equity;
- b. Proper books of account have been maintained by JSIL;
- c. Appropriate accounting policies have been consistently applied in the preparation of financial statements and financial estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards (IFRS), as applicable in Pakistan have been followed in the preparation of the financial statements, and any departures therefrom have been adequately disclosed and explained;
- e. The system of internal controls is sound in design and has been effectively implemented and monitored;
- f. There are no significant doubts about JSIL's ability to continue as a going concern;
- g. There has been no material departure from the best practices of Corporate Governance as contained in Listed Companies (Code of Corporate Governance) Regulations, 2019;
- h. A summary of key financial data of last six years is given in this Annual Report;
- i. Outstanding taxes, duties, levies and charges have been fully disclosed in the annexed audited financial statements;
- j. JSIL keeps an effective and efficient internal financial controls system that remains active through consistent innovation and monitoring. The internal audit and compliance functions of JSIL evaluate the financial controls and ensure that there is an effective control environment throughout the company. Based on the evaluation processes, the BoD considers that the existing internal financial control system is adequate and has been effectively implemented;
- k. The Code of Conduct has been disseminated throughout JSIL along with supporting policies and procedures and
- l. The value of investments of the Staff Provident Fund of JSIL of June 30, 2021, was Rs. 7.16 million.

## CORPORATE AFFAIRS

The following directors served on the board during the year:

Mr. Suleman Lalani	Chairman / Non-executive Director
Ms. Iffat Zehra Mankani*	Chief Executive Officer
Mr. Hasan Shahid	Non-executive Director
Mr. Zahid Ullah Khan**	Non-executive Director
Mr. Imran Haleem Shaikh	Non-executive Director
Mr. Mirza M. Sadeed H. Barlas***	Non-executive Director
Mr. Asif Reza Sana	Independent, Non-executive Director
Ms. Aisha Fariel Salahuddin	Independent, Non-executive Director
Mr. Kamran Jafar	Resigned
Mr. Hasnain Raza Nensey	Resigned
Mr. Tahir Ali Sheikh	Resigned

\* Ms. Iffat Zehra Mankani appointed as Chief Executive Officer of the company in place of Mr. Hasnain Raza Nensey w.e.f April 15, 2021.

\*\* Mr. Zahid Ullah Khan appointed as Director of the company w.e.f March 18, 2021, in place of Mr. Kamran Jafar.

\*\*\* Mr. Mirza M. Sadeed H. Barlas has been appointed as Director w.e.f August 09, 2021, in place of Mr. Tahir Ali Sheikh.

### Composition of the Board of Directors

Executive Female Director - CEO	01
Non-executive Director	05
Independent / Non-executive Directors [including one female director]	02

### Meetings of the Board of Directors

During the year five meetings of the Board of Directors were held. The attendance of each director for these meetings is as follows:

Name	Meetings Eligibility	Meetings attended
Mr. Suleman Lalani	Five	Five
Ms. Iffat Zehra Mankani	Four	Four
Mr. Hasan Shahid	Five	Five
Mr. Asif Reza Sana	Five	Four
Mr. Imran Haleem Shaikh	Five	Three
Ms. Aisha Fariel Salahuddin	Five	Five
Mr. Zahid Ullah Khan	Four	Four
Mr. Mirza M. Sadeed H. Barlas*	Three	Two
Mr. Hasnain Raza Nensey**	One	One
Mr. Tahir Ali Sheikh**	Two	Two

\* Mr. Mirza M. Sadeed H. Barlas appointed as Director w.e.f August 09, 2021.

\*\* Mr. Hasnain Raza Nensey and Mr. Tahir Ali Sheikh have resigned as CEO and Director of JSIL respectively, during the year.



### **Meetings of the Board Audit Committee**

During the year, four meetings of the Board Audit Committee were held. The attendance of each director for these meetings is as follows:

<b>Name</b>	<b>Meetings Eligibility</b>	<b>Meetings attended</b>
Mr. Asif Reza Sana	Four	Three
Ms. Aisha Fariel Salahuddin	Four	Four
Mr. Hasan Shahid	Four	Four

### **Meetings of the Board Human Resources & Remuneration (HR&R) Committee**

During the year, one meeting of the Board Human Resources & Remuneration (HR&R) Committee was held. The attendance of each director for this meeting is as follows:

<b>Name</b>	<b>Meetings Eligibility</b>	<b>Meetings attended</b>
Ms. Aisha Fariel Salahuddin	One	One
Mr. Kamran Jafar	One	One
Ms. Iffat Zehra Mankani	One	One

### **Meetings of the Board Executive Risk Management Committee**

During the year, five meetings of the Executive Risk Management Committee were held. The attendance of each director for these meetings is as follows:

<b>Name</b>	<b>Meetings Eligibility</b>	<b>Meetings attended</b>
Mr. Suleman Lalani	Five	Five
Ms. Iffat Zehra Mankani	Four	Four
Mr. Imran Haleem Shaikh	Five	Four
Mr. Tahir Ali Sheikh*	Two	Two
Mr. Hasnain Raza Nensey*	One	One

\* Mr. Hasnain Raza Nensey and Mr. Tahir Ali Sheikh have resigned as member of Executive Risk Management Committee of JSIL, during the year.

### **Directors' Training Program**

Seven out of eight Directors on the Board are certified under the Directors Training Program (DTP).

### **Directors' Remuneration Policy**

The remuneration of the Board members is approved by the Board itself. However, in accordance with the Code of Corporate Governance Regulations, 2019, it is ensured that no Director takes part in deciding his own remuneration. The company does not pay remuneration to non-executive directors except fee for attending the meetings. The company's remuneration policies are structured in line with prevailing CCG Regulations and Section 227 of the Companies Act, 2017. For information on remuneration of Directors and CEO in 2020-21, please refer to the Note No. 30 to the Financial Statements.

## ***Board Evaluation***

The Board considers its performance assessment as a key contributor to good governance, as it provides feedback from the Directors on their perceptions of how the Board is currently performing its role and responsibilities. Envisaging the same, the Board devised an in-house questionnaires based on emerging and leading practices to assist performance of the board as a whole, of its committees and of its members. The company Secretary presents the summarized report for discussion and review of the Board annually.

## ***Disclosure of Interest by Directors***

During the period the following trades in JSIL shares were carried out by Directors and Chief Executive Officer:

- Mr. Imran Haleem Shaikh – Director – purchased 500 shares.
- Ms. Iffat Zehra Mankani – Chief Executive Officer – purchased 500 shares.
- Mr. Zahid Ullah Khan – Director – purchased 500 shares.
- Mr. Mirza M. Sadeed H. Barlas – purchased 500 shares.

Disclosures related to the aforesaid transactions have already been made to the Pakistan Stock Exchange.

## **PARENT COMPANY**

JS Bank, the holding company of JS Investments Limited, holds 84.56% of the equity.

## **EARNING PER SHARE**

The loss per share of the JSIL during the period is Rs. (4.86).

## **INTERNAL FINANCIAL CONTROLS**

The system of internal financial controls is sound in design and has been effectively implemented and monitored by the Directors of the company.

## **PATTERN OF SHAREHOLDING**

A statement showing the pattern of shareholding in JSIL and additional information as of December 31, 2021 is available in this Annual Report.

## **RELATED PARTY TRANSACTIONS**

Related party transactions are disclosed in Note 31 to the audited financial statements for the year ended December 31, 2021.

## **DIVIDEND**

As the company incurred a loss before tax of Rs. 288.74 million the Board of Directors has opted not to declare a dividend for the year ended December 2021.

## **CORPORATE SOCIAL RESPONSIBILITY**

The business practices of JSIL have no adverse impact on the environment. We are continuously looking at options to become environmental friendly with efforts such as reducing paper by switching to electronic forms and methods especially in the area of customer statements and marketing collateral.

JSIL strongly believes in giving back to society and regularly conducts events that benefit the larger community. JSIL contributes to philanthropic activities in partnership with 'Future Trust', which is actively engaged in the areas of education, health care, improvement of socio-economic conditions, and humanitarian relief. On Independence Day, JSIL promoted investing in the unexplored talent of Pakistan by sponsoring a young talented cyclist from Lyari - Sumera Ahmed Ali, who despite being from an underprivileged background, pursued her dreams of becoming a cyclist on a national level.

## **ADDITIONAL MATTERS**

- a. No changes have occurred during the financial year concerning the nature of the business of the company.
- b. JSIL is not involved in defaults in payment of any debt.

## **ASSET MANAGER AND ENTITY RATING**

Pakistan Credit Rating Agency (PACRA) has assigned JS Investments' Management Quality Rating of AM2 with a "stable" outlook. The rating denotes High Management Quality.

## **AUDITORS**

The Board of Directors, on recommendations of the Audit Committee, has proposed the re-appointment of M/s. KPMG Taseer Hadi & Co, Chartered Accountants for the ensuing year ending December 31, 2022.

## **ACKNOWLEDGMENT**

The Directors express their gratitude to the Securities and Exchange Commission of Pakistan (SECP) and Trustees of Funds under its management for their valuable support, assistance, and guidance. The Board also thanks to the employees of JSIL for their dedication and hard work and the shareholders for their confidence in the management.

**On behalf of the Board**

**Iffat Zehra Mankani**  
Chief Executive Officer

**Hasan Shahid**  
Director

February 23, 2022  
Karachi

## جے ایس انویسٹمنٹس لمیٹڈ

### شراکت داروں کے لیے ڈائریکٹرز رپورٹ برائے مختتمہ سال 31 دسمبر 2021

ہم 31 دسمبر 2021 کو ختم ہونے والے سال کے لیے جے ایس انویسٹمنٹس لمیٹڈ (JSIL) کے آڈٹ شدہ مالیاتی گوشوارے اور آڈیٹرز رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

### مرکزی کاروبار

JSIL 1995 میں پاکستان میں قائم شدہ ایک پبلک لسٹڈ کمپنی ہے۔ کمپنی مندرجہ ذیل لائسنسز کے تحت کام کرتی ہے: انویسٹمنٹ ایڈوائزر، ایسیٹ مینجمنٹ کمپنی، پینشن فنڈ مینجر، REIT مینجمنٹ سروسز، اور پرائیوٹ ایکویٹی اینڈ وینچر کیپیٹل فنڈ مینجمنٹ۔ تمام لائسنسز سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) سے قابل اطلاق قوانین کے تحت حاصل شدہ ہیں۔

### معیشت

2020 کی بعد کی ششماہی کی طرح، عالمی معیشتیں ایک منظم معاشی سرگرمیوں کے دوبارہ شروع ہونے کی بناء پر آگے بڑھنے لگیں جس کو مصاحبت مالی اور مالیاتی پالیسیز سے مدد ملی۔ یاد رہے کہ پاکستان میں مرکزی بینک اور وفاقی حکومت نے 2020 سے 2021 کی پوری مدت میں بحالی کی بھرپور کوششیں کیں۔ اسٹیٹ بینک آف پاکستان نے شرح سود کو 7% تک کم کر دیا اور وفاقی حکومت نے 1.25 ٹریلین روپے کی مالیاتی سپورٹ کا پیکیج متعارف کروایا۔ اس کے نتیجے میں ملک کو 2021 کیلئے ریکارڈ 3.94% نمو حاصل ہوئی۔ ملک میں مینوفیکچرنگ کی صنعت کی بڑی علامت بڑے پیمانے کی مینوفیکچرنگ (LSM) کا انڈیکس ہے جو سال کے دوران تین سال کی بلند ترین سطح یعنی 15% تک پہنچ گیا۔ سال کے دوران آئی ایم ایف ایکسٹنڈڈ فنڈ فیسلٹی (EFF) پروگرام بھی یورو بونڈ کے کامیاب اجراء کے ساتھ دوبارہ شروع ہو گیا۔

عالمی معیشت کی بحالی میں سپلائی کی تنگی کے ساتھ ساتھ ہر جگہ دھاتی اور غیر دھاتی اشیاء میں اضافہ دیکھنے میں آیا۔ اس کے نتیجے میں اس عرصے میں NCPI افراط زر میں مسلسل اضافہ ہوا۔ جنوری اور دسمبر کے درمیان غذائی اشیاء کی مہنگائی 7.3% سے بڑھ کر 11.7% ہو گئی۔ ہیڈ لائن نمبرز میں جنوری 2021 میں 5.7% سے بڑھ کر دسمبر 2021 تک 12.3% ہو گئے۔ یہ غیر معمولی اضافہ اسٹیٹ بینک آف پاکستان (SBP) کے لئے ایک بڑی تشویش کا باعث بن گیا۔ نیز بیرونی دباؤ میں بھی اضافہ دیکھنے میں آیا جب کرنٹ اکاؤنٹ کا خسارہ (CAD) گزشتہ سال کے 1.3 بلین امریکی ڈالر سے بڑھ کر 10.2 بلین ڈالر ہو گیا۔ امریکی ڈالر کے مقابلے میں روپے کی قدر میں 10.3% کمی ہوئی جو سال کے آغاز میں 159.9 کی سطح سے 176.5 پر بند ہوئی۔ ان عوامل کے باعث SBP کو پالیسی ریٹ 7.0% سے 9.75% بڑھانے پر عمل کرنا پڑا۔

آگے بڑھتے ہوئے، ہم نوٹ کرتے ہیں کہ میکرو اکنامک لینڈ اسکیپ کو درپیش موجودہ چیلنجز سے مختلف پالیسی ٹولز کے ذریعے اچھی طرح حل کیا جاتا ہے۔ ہمارا اعتماد مالیاتی سختی کے حجم اور رفتار، بینکوں کے لیے کیش ریزرو کی ضرورت میں اضافہ، ایکسچینج ریٹ کا فری مارکیٹ میں تعین، درآمدی کنٹرول میں سخت اور غیر ضروری اشیاء پر بڑھتی ہوئی ڈیوٹیز سے پیدا ہوتا ہے۔ ہمیں یقین ہے کہ اشیاء کی قیمتوں میں کمی کے ساتھ CAD اور افراط زر پر دباؤ ختم ہونے کا امکان ہے۔ دوسری جانب آئی ایم ایف ای ایف ایف پروگرام کی بحالی سے کثیر الاطراف بہاؤ کے لیے راستہ بننا چاہیے اور میکرو محاذ پر نظم و ضبط متعارف کرانا چاہیے۔

### ایکیویٹی مارکیٹ کی کارکردگی

جون 2021 تک KSE-100 ابتدائی طور پر 8.2% منافع کے ساتھ عروج پر تھا۔ موافق پالیسیوں اور ویکسینیشن رول آؤٹ نے صحت مند اقتصادی ترقی کی رفتار کو قائم کرنے اور معیشت کو دوبارہ سر اٹھانے میں مدد کی۔ مزید IMF پروگرام کے دوبارہ شروع ہونے اور FY 22 کے لئے ترقی پزیر وفاقی بجٹ نے مارکیٹ کے حالات کو بہتر کیا حالانکہ یہ بہتری قلیل مدت کے لئے تھی کیونکہ 2021 کے نصف میں خدشات سامنے آئے تھے۔

2021 کے دوران، عالمی مارگٹ میں بحالی کا آغاز ہوا کیونکہ کورونا وائرس کی پے در پے لہروں کے نتیجے میں شرح اموات میں اضافہ نہیں ہوا۔ جیسے ہی COVID-19 عام عمل بن گیا، اقتصادی سرگرمیاں دوبارہ شروع ہو گئی۔ ریکارڈ عالمی مالیاتی محرک کے اثرات کے نتیجے میں بے روزگاری کے فوائد، حکومتوں کی طرف سے نقد چیک اور گھر سے کام کرنے کی پالیسیوں کی وجہ سے اخراجات میں کمی کے ذریعے اوسط صارف کی جیبیں اثر انداز ہوئیں۔

KSE-100 نے جون 2021 کے بعد کورس کو تبدیل کیا اور سال کے اختتام پر وسط سال کی چوٹی سے 1.9% بڑھا اور 6% نیچے ہو گیا جو مارکیٹ میں بنیادی نرخوں کی تبدیلی کی وجہ سے ہوا۔

ٹیکنالوجی اور کمیونیکیشن، کمرشل بینک اور فریٹ لائزر انڈیکس میں سب سے مثبت شراکت دار تھے جبکہ سیمنٹ، آئل اینڈ گیس، ریٹائرمنٹ اور فارماسیوٹیکلز نے کم کارکردگی کا مظاہرہ کیا۔ دوران سال تجارتی قدر گزشتہ سال 12.3 بلین روپے سے بڑھ کر 16.9 بلین ہو گئی جس میں سال بسال کی بنیاد پر 37% اضافہ ہوا۔ غیر ملکی 359 ملین امریکی ڈالر کے اخراج کے ساتھ مارکیٹ میں خالص فروخت کنندگان بنے رہے۔ لیکویڈیٹی بنیادی طور پر (245 ملین امریکی ڈالر) انفرادی اور (107 ملین امریکی ڈالر) کمپنیوں کے ذریعے جذب کی گئی۔

### منی مارکیٹ کی کارکردگی

CY21 کے دوران اسٹیٹ بینک آف پاکستان (SBP) نے ترقی اور طلب کی بحالی کو برقرار رکھنے کے لیے منفی حقیقی ریٹ برقرار رکھے۔ تاہم معیشت کی متوقع حد سے زیادہ تیزی سے SBP نے پالیسی ریٹ کو 9.75% تک لانے کے لیے سال کے آخر میں 275 بیس پوائنٹس کے مجموعی اضافے کے ساتھ مالیاتی سختی کا آغاز کیا۔ اس کی وجہ سے پیداوار کے قوس کا رخ سیدھا ہو گیا ہے کیونکہ اسپاٹ ریٹ طویل المدتی پیداوار سے زیادہ بڑھ گئے۔

SBP اور وزارت خزانہ کے معاشی ترقی کے فروغ پر توجہ کے ساتھ ہمیں 2022 میں پیداوار کے اضافے میں وقفہ آنے کی توقع ہے۔ سرمایہ کار اس وقت رسک آف موڈ میں ہیں کیونکہ اجناس کی قیمتوں اور جغرافیائی سیاسی محاذ پر بہت سے خطرات مانٹری پالیسی کے نقطہ نظر کے لئے اہم ہیں۔ لہذا، سرمایہ کاروں کی دلچسپی بنیادی طور پر مختصر مدت کے پیپرز کی طرف رہی۔ کلینڈر سال 2021 کے دوران، 3، 6 اور 12 ماہ کی مدت کیلئے ٹی بلز کا کٹ آف 7.14%، 7.19% اور 7.29% سے بالترتیب بڑھ کر 10.39%، 11.32% اور 11.48% ہو گیا۔

### AMC انڈسٹری

کلینڈر سال 2021 کے اختتام پر میوچل فنڈ انڈسٹری کے زیر انتظام اثاثے جات (AUM) 1.126 ٹریلین روپے رہی (علاوہ فنڈز آف فنڈ اسٹرکچرز) 19% کا اضافہ (179.3 بلین روپے) ظاہر کیا جو کہ (دسمبر 2020 میں 946 بلین روپے کی سطح پر رہے)۔ کنٹیننل اسکیم کے AUM 19% اضافے کے بعد 690 بلین روپے (علاوہ فنڈز آف فنڈ اسٹرکچرز) تک پہنچ گئے۔ جبکہ شریعہ کمپلائنس اسکیم کے AUM 15% اضافے کے بعد 435 بلین روپے (علاوہ فنڈز آف فنڈ اسٹرکچرز) تک پہنچ گئے۔

کلینڈر سال 2021 - COVID کے ساتھ ایک بہت ہی غیر مستحکم سال تھا اور اس کے نتیجے میں سماجی اور اقتصادی پریشانیاں سرخیوں میں تھیں۔ معیشت پر اثر انداز ہونے والا ایک اور عنصر اسٹیٹ بینک آف پاکستان کے پالیسی ریٹس میں 7% سے 9.75% تک اضافہ تھا۔

پوری صنعت میں زیادہ توجہ کیش اینڈ انکم فنڈز کی کیٹگری پر تھی جس میں خالص داخلی بہاؤ 126 بلین روپے تھا۔ اس سال داخلی بہاؤ تقسیم ہو کر کنٹیننل میں 93 بلین روپے اور شریعہ کمپلائنس کے شعبہ میں 33 بلین روپے ہو گیا۔

### مرکزی خطرات اور بے یقینی

کمپنی جس چیلنج والے ماحول میں کام کرتی ہے اس سے پیدا ہونے والی غیر یقینی صورتحال کے بنیادی ذرائع جیسے سیاسی، سماجی، ٹیکنالوجیکل، معاشی یا قانونی عوامل میں تبدیلی بھی خطرات کی طرف لیجاتی ہے جو کمپنی کو درپیش ہو سکتے ہیں۔ JSIL کی انتظامیہ نے ان خطرات کا زبردست اور منظم جائزہ لیا ہے جو کمپنی کی کارکردگی، امکانات، ساکھ یا اس کے وعدے پورا کرنے کی اہلیت پر اثر انداز ہو سکتے ہیں۔ JSIL کا مجموعی خطرات کے بندوبست کا پروگرام مالیاتی مارکیٹس کی غیر متوقع کیفیت اور مالیاتی کارکردگی پر متوقع منفی اثرات کو کم سے کم کرنے پر مرکوز ہے۔

ایسیٹ مینجمنٹ انڈسٹری کے زیر انتظام اثاثے جات (AUM) نے مالی سال 21 میں امید افزا نمونہ ظاہر کی اور 1 ٹریلین روپے سے تجاوز کر گیا۔ اس کا تعلق کوویڈ - 19 کی وجہ سے کارپوریٹ کے کاروباری خطرے سے بچنے سے ہے جو کہ ایسیٹ مینجمنٹ کمپنیوں کی جانب سے پیدا کردہ آگاہی کی تکمیل ہے۔ تاہم، پاکستان میں ریٹیل میوچل فنڈز کی رسائی اب بھی بہت کم ہے اور بڑھتی ہوئی آگاہی کے ساتھ ساتھ، حکومت AMC کو ٹیکنالوجی سے فائدہ اٹھاتے ہوئے وسیع تر جغرافیائی رسائی کی میوچل فنڈز کی دسترس میں بڑھانے کی ترغیب دے رہی ہے۔ نتیجتاً، ایسیٹ مینجمنٹ کمپنیز اپنے موجودہ یونٹ مینجمنٹ سسٹم اور سیلز کے عمل کو اپ گریڈ کر رہی ہیں تاکہ ان کے گاہکوں کے لیے ڈیجیٹل آن بورڈنگ کو فعال کیا جاسکے اور گاہکوں کے حصول میں تیزی لائی جاسکے۔ اس کے ساتھ ساتھ حکومت 'اینٹی منی لانڈرنگ' (AML) اور 'دہشت گردی کی مالی معاونت سے نمٹنے کے لیے' (CFT) 'اپنے گاہک کو جانیں' (KYC) کے تقاضوں سے متعلق معاملات پر بھی توجہ دے رہی ہیں جس میں ایسیٹ مینجمنٹ کمپنیز (AMC) پر زیادہ ذمہ داری عائد کی گئی ہے کہ وہ گاہکوں کی ڈیوڈ پلینچنس (CCD) کو احتیاط سے انجام دیں کیونکہ ان ضوابط کی خلاف ورزی کے طور پر بھاری جرمانے لگ سکتے ہیں۔ مزید برآں، اس سے ایسیٹ مینجمنٹ کمپنیز (AMC) کے ریگولیٹری خطرے میں اضافہ ہوتا ہے اور JSIL ان انتہائی مطالباتی لیکن ضروری ضوابط کی تعمیل کو یقینی بنانے کے لیے پُر عزم ہے۔

### کارکردگی کا جائزہ

COVID 19 JSIL کی وجہ سے ایکویٹی مارکیٹ کی کارکردگی پر جمود کے باعث تمام صنعتوں کی خاص توجہ کم مارجن کی پروڈکٹس جیسے کیش اینڈ انکم فنڈز کی کیٹیگری پر رہی جس کے نتیجے میں کمپنی کی انتظامی فیس کی آمدنی میں زبردست کمی آئی۔ میوچل فنڈز / vps پورٹ فولیو ویلیوز کی وصولی AMC کی منفعت پر مثبت طور پر اثر ڈالے گی۔ JSIL نے 2020 میں 39.80 ملین روپے (0.64 روپے کے نقصان فی حصص) کے مقابلے میں 31 دسمبر 2021 کو 300.08 ملین روپے (4.86 پاکستانی روپے کے نقصان فی حصص) کا مجموعی نقصان ٹیکس خسارے کے بعد درج کروایا۔ 2020 میں 22.99 ملین روپے کے نقصان کے مقابلے میں 2021 میں قبل از ٹیکس 288.74 ملین روپے کا نقصان رپورٹ کیا گیا۔

پچھلے سال کی یکساں مدت کے دوران 333.65 ملین روپے کے مقابلے میں 52.85 ملین روپے کی کل آمدنی ریکارڈ ہوئی۔ کمپنی نے پچھلے سال اسی مدت کے لئے 174.83 ملین روپے کے مقابلے میں 157.36 ملین روپے کے انتظامیہ کے زیر نگرانی فنڈز (بشمول سپیریٹل میجٹ اکاؤنٹس - SMAs) سے مینجمنٹ ریمینریشن کمائی۔ انتظامیہ کے زیر نگرانی اثاثے جات (علاوہ SMAs اور فنڈز آف فنڈز) 31 دسمبر 2021 کے دوران 23.8 ملین روپے کے مقابلے میں 22.77 ملین روپے تھے، یعنی 4% کی کمی ظاہر کی۔

سال کے لیے کاروباری نتائج کا خلاصہ	سال ختمہ 31 دسمبر 2021	سال ختمہ 31 دسمبر 2020
روپے ہزار میں		
شیررز ہولڈرز کی ایکویٹی	1,504,448	1,774,986
انتظامی فیس (بشمول SMA)	157,362	174,834
سیلز لوڈ (خالص)	465	4,096
سرمایہ کاری (نقصان) / آمدنی	(104,977)	154,716
کل آمدنی	52,850	333,646
آپریٹنگ اخراجات	(331,829)	(336,458)
آپریٹنگ نقصان	(278,979)	(2,811)
دیگر آپریٹنگ نقصان	(9,756)	(20,181)
نقصان قبل از ٹیکس	(288,735)	(22,992)
ٹیکسیشن نیٹ	(11,340)	(16,808)
نقصان بعد از ٹیکس	(300,075)	(39,801)
نقصان فی شیر - بنیادی اور تحلیل شدہ	(4.86)	(0.64)



## مادی تبدیلیاں اور وعدے

اس مدت کے دوران کمپنی کی مالی حالت پر اثر انداز ہونے والی مادی تبدیلیاں اور وعدے جس کا اس رپورٹ کی تاریخ اور بیلنس شیٹ سے تعلق ہے، وقوع پذیر نہیں ہوئے۔

## مستقبل کے امکانات

مختلف معاشی سلسلوں میں حیرت انگیز طور پر بلندی کے رجحان کے باوجود انویسٹمنٹ منجمنٹ انڈسٹری ابھی تک ابتدائی مراحل میں ہے۔ 1 ٹریلین روپے کی منجمنٹ کے تحت اثاثہ جات کے ساتھ، جس میں سے 45% کی صرف کیش فنڈز میں سرمایہ کاری کی گئی ہے، ہم محسوس کر رہے ہیں کہ دنیا کے اس حصے میں کرنے کیلئے بہت کچھ ہے۔ ٹیکنالوجی کی پیش رفت اور گزشتہ کچھ عرصے میں موافق ریگولیٹری ماحول کے سبب، ہم مستقبل کے امکانات کیلئے بہت پر جوش ہیں۔ ہمیں یقین ہے کہ ان اقدامات سے ہمیں آگے بڑھنے اور مالیاتی لٹریسی پیدا کرنے کے ساتھ اپنے آپریشنل پروسیسز کو آسان تر بنانے میں مدد ملے گی جو اس صنعت کی ترقی کیلئے ایک اور رکاوٹ ہیں۔

اعتماد قائم کرنا، تعلقات کو برقرار رکھنا اور سرمایہ کاری کا فائدہ پہنچانا۔ ہمارے کاروبار کی بنیاد ہیں اور یہ خصوصیات کے قائم رہیں گی اور ان پر ہماری توجہ مرکوز رہے گی تو، ہم سمجھتے ہیں کہ پیسے کیلئے قدر کی باضابطہ کے مطابق جانچ اور شفافیت، خلل انداز ہونے والی ٹیکنالوجی اور سرمایہ کاروں کی نئی ترجیحات کے پیش نظر فرمز کیلئے ضروری ہے کہ نئی صورت حال میں پنپنے کیلئے ان اقدامات کو اپنائیں اور جدت پیدا کریں۔ اپنی گزشتہ اصل قوت، یعنی پروڈکٹ کے تنوع میں قائم ہونے کے باوصف، ہم سرمایہ کاروں کی سوچ کے طریقے کو بدلنے کی کوشش کریں گے اور اگلے پانچ سال میں سرمایہ کار کے اثاثہ جات کی تفویض کی عادات پر اس طرح اثر ڈالیں گے کہ ہماری اوسط مدد مل کلاس روایتی اثاثہ جات کے درجے سے آگے بڑھ کر سوچنے کے قابل ہو جائے۔ ہماری نمو کی حکمت عملی، یہ سمجھنے پر توجہ مرکوز کرنا ہے کہ مالیاتی صنعت ہمیشہ آگے بڑھے گی اور اپنے ارد گرد کی دنیا کے ساتھ بدلتی رہے گی۔ اس لئے ہم اپنے صارفین کیلئے مستقل طور پر نئے اور بہتر حل سوچنے اور تلاش کرنے میں مصروف رہیں گے۔ اپنے طویل المدت ویژن میں سرمایہ کاری کی پروڈکٹس کی سیریز شامل ہے جس کا مقصد کم قابل رسائی حکمت عملی اختیار کرنے اور اسے خود ہدایت یافتہ افراد کیلئے دستیاب کرنا ہے۔ ہم تسلیم کرتے ہیں کہ بین الاقوامی سرمایہ کی دنیا میں حساب و شمار اور اصولوں پر مبنی فیصلہ سازی پہلے سے کہیں زیادہ جڑی ہوئی ہے۔ ہم نے 2022 میں اپنا پہلا اسمارٹ BETA ایکسچینج ٹریڈ فنڈ (ETF) JS موٹھیٹم فیکٹر ETF کا اجراء کیا۔ اگلے مراحل میں، ہمارا ارادہ متبادل جگہ میں پروڈکٹس کا اجراء کرنا ہے جس میں ریل اسٹیٹ اور پیٹرکیٹیٹل شامل ہیں۔

ہم مختلف آن لائن پلیٹ فارموں پر اپنے فنڈز کے لیے آپریشنل عمل اور ڈیجیٹل آن بورڈنگ کو آسان بنا رہے ہیں۔ اس سلسلے میں ہم نے اپنے ریٹیل صارفین کے لیے ایک نیا ڈیجیٹل آن بورڈنگ سفر شروع کرنے کے لیے ٹیکنالوجی سروسز کمپنی کے ساتھ شراکت داری کی ہے۔ یہ حل افراد کو ڈیجیٹل طور پر اکاؤنٹ کھولنے کی اجازت دے گا، جس میں تمام اہم KYC اور AML کنٹرول کو ایک فطرت کے مطابق اور صارف دوست سفر کے ساتھ شامل کیا جائے گا۔ ہم اپنے پروڈکٹ سوٹ کو مسلسل معقول بنا رہے ہیں اور اس لیے اپنے تنظیمی ڈھانچے کو اپنے مستقبل کے وژن کے مطابق دوبارہ ترتیب دینے اور تربیتی پروگراموں کے مختلف حصوں کے ذریعے عملے کے ارکان کی آپریشنل صلاحیت کو بڑھانے کے ساتھ ساتھ اسی طرح کی حکمت عملی فنڈز کو مستحکم کر رہی ہے۔ ہم نئے شہروں میں اپنی مارکیٹ کی دسترس کو بڑھانے اور مارکیٹ کی نئی حکمت عملیوں کو اپنا کر ایک مضبوط صارف کی بنیاد شامل کرنے کے بھی منتظر ہیں۔

## رپورٹنگ مدت کے دوران آنے والے اہم واقعات

سال کے دوران کمپنی نے اپنے پروڈکٹ سوٹ کو بہتر بنانے پر توجہ مرکوز کی۔ سب سے پہلے JSIL کے ایکویٹی فنڈز میں سے دو، JS گروتھ فنڈ اور JS ویلیو فنڈ کو ضم کیا گیا جس کا نام پہلے والے فنڈ کے نام پر ہے۔ یہ ہماری ایکویٹی پیشکشوں کو آسان بنانے کے لیے کیا گیا تھا۔ اس کے علاوہ ہم نے اپنی مستقل تناسب پورٹ فولیو انشورنس (CPPI) پروڈکٹس کی میعاد میں بھی توسیع کی۔ JS کمپیٹل پرزرویشن ایلویشن پلان 5، 6، 7، 8 ابتدائی طور پر 2 سال کی میچورٹی کے ساتھ شروع کیا گیا تھا اور ان کی میعاد میں 2 سال کی توسیع کی گئی تھی۔ آخر میں ہم نے اپنے ہائبرڈ پروڈکٹس کی پیشکشوں کو کم اور آسان بنانے کے لیے JSIHFOF مستحکم اور JSIHFOF مفید باسکٹس کو بھی بند کر دیا۔ 19 فروری 2021 کو کمپنی کے بورڈ آف ڈائریکٹرز نے کمپنیز ایکٹ 2017 کے سیکشن (1) 284 کے تحت انضمام کی اسکیم کی منظوری دیتے ہوئے ایک قرارداد منظور کی تھی جس کے تحت اس کی مکمل ملکیت والی ذیلی کمپنی JS ABAMCO کموڈٹیز لمیٹڈ (JSACL) کو کمپنی کے ساتھ اور اس میں ضم کرنے کی منظوری دی گئی تھی جسے SECP نے 24 جون 2021 کو منظور کیا تھا۔ اس کے بعد 31 مارچ 2021 کی موثر تاریخ تک JS ABAMCO کموڈٹیز لمیٹڈ کا پورا کام کمپنی کے ساتھ اور اس میں ضم ہو جاتا ہے۔

## کارپوریٹ گورننس اور فنانشل رپورٹنگ فریم ورک

مطابق ڈائریکٹرز بصدرخوشی اطلاع دیتے ہیں کہ:

الف۔ JSIL کی انتظامیہ کی طرف سے تیار کردہ گوشوارے منصفانہ طور پر اس کے معاملات کی صورت حال، سرگرمیوں کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیاں پیش کرتے ہیں۔  
ب۔ JSIL کی طرف سے اکاؤنٹس کے درست کھاتے برقرار رکھے گئے۔

پ۔ مالیاتی گوشواروں کی تیاری میں مستقلاً مناسب اکاؤنٹنگ پالیسیز کا اطلاق کیا گیا ہے اور حسابات کے گوشوارے مناسب عاقلانہ فیصلوں پر مبنی ہیں۔  
ت۔ مالیاتی گوشواروں کی تیاری میں انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (IFRS)، جیسا کہ پاکستان میں قابل اطلاق ہیں، کی پیروی کی گئی اور ان سے کسی بھی پہلو تہی کا مناسب انداز میں انکشاف اور وضاحت کی گئی ہے۔

ث۔ اندرونی اختیار کا نظام ساخت کے اعتبار سے محفوظ ہے اور اس کا موثر اطلاق اور نگرانی کی گئی ہے۔

ث۔ JSIL کے کاروبار جاری رکھنے کی اہلیت پر کوئی قابل ذکر خدشات نہیں ہیں۔

ج۔ کارپوریٹ گورننس کی بہترین روایات سے کسی قسم کی مادی انحراف نہیں کیا گیا ہے، جیسا کہ لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشن 2019 میں درج ہے۔  
چ۔ گزشتہ پچھلے سالوں کے اہم مالیاتی اعداد و شمار کا خلاصہ اس سالانہ رپورٹ میں موجود ہے۔

ح۔ واجب الادا ٹیکسز، ڈیوٹیز، محصولات اور چارجز کا منسلک آڈٹ شدہ مالیاتی گوشواروں میں پوری طرح اظہار کیا گیا ہے۔

خ۔ JSIL موثر اور کارآمد انٹرئل فنانشل کنٹرولز سسٹم رکھتی ہے جو لگاتار تنوع اور نگرانی کے ذریعے فعال رہتا ہے۔ JSIL کے انٹرئل آڈٹ اور کمپلائنس فنکشنز فنانشل کنٹرولز کی جانچ کرتے ہیں اور یقینی بناتے ہیں کہ پوری کمپنی میں موثر نگرانی کا ماحول موجود ہو۔ جانچ پڑتال کے طریقہ کار کی بنیاد پر، بورڈ آف ڈائریکٹرز سمجھتا ہے کہ موجودہ انٹرئل فنانشل کنٹرولز سسٹم مناسب ہیں اور موثر انداز میں نافذ کیے گئے ہیں۔

د۔ ضابطہ عمل معاون پالیسیز اور طریقہ کار کے ہمراہ پورے JSIL میں تقسیم کر دیا گیا ہے۔

ڈ۔ JSIL کے اسٹاف کے پروویڈنٹ فنڈ کی سرمایہ کاری کی مالیت 30 جون 2021 کو 7.16 ملین روپے تھی۔

## کارپوریٹ معاملات

سال کے دوران مندرجہ ذیل ڈائریکٹرز نے بورڈ میں خدمات پیش کیں۔

جناب سلیمان لالانی	چیئر مین، نان ایگزیکٹو ڈائریکٹر
محترمہ عفت زہرہ منکائی*	چیف ایگزیکٹو آفیسر
جناب حسن شاہد	نان ایگزیکٹو ڈائریکٹر
جناب زاہد اللہ خان**	نان ایگزیکٹو ڈائریکٹر
جناب عمران حلیم شیخ	نان ایگزیکٹو ڈائریکٹر
جناب مرزا سادید برلاس***	نان ایگزیکٹو ڈائریکٹر
جناب آصف رضا ثناء	انڈیپنڈنٹ، نان ایگزیکٹو ڈائریکٹر
محترمہ عائشہ فیصلہ صلاح الدین	انڈیپنڈنٹ، نان ایگزیکٹو ڈائریکٹر
جناب کامران جعفر	مستعفی
جناب حسنین رضانیسی	مستعفی
جناب طاہر علی شیخ	مستعفی

\* محترمہ عفت زہرہ منکائی کمپنی کی چیف ایگزیکٹو آفیسر کی حیثیت سے جناب حسنین رضانیسی کی جگہ تعینات ہوئیں، یہ 15 اپریل 2021 سے موثر ہوا۔

\*\* جناب زاہد اللہ خان کی بطور کمپنی کے ڈائریکٹر جناب کامران جعفر کی جگہ تقرری ہوئی، جو 18 مارچ 2021 سے نافذ العمل ہے۔

\*\*\* جناب مرزا م۔ سادید ہ۔ برلاس کی 09 اگست 2021 سے جناب طاہر علی شیخ کی جگہ تقرری ہوئی۔



## ڈائریکٹرز کی تفصیلات

01	ایگزیکٹو خاتون ڈائریکٹر - CEO
05	نان ایگزیکٹو ڈائریکٹر
02	انڈیپنڈنٹ / نان ایگزیکٹو ڈائریکٹر (بشمول ایک خاتون ڈائریکٹر)

## بورڈ کے ڈائریکٹرز کے اجلاس

سال کے دوران بورڈ آف ڈائریکٹرز کے پانچ اجلاس منعقد کیے گئے، ان اجلاسوں میں ہر ڈائریکٹر کی حاضری بمطابق ذیل ہیں:

نام	اجلاس میں اہلیت	اجلاس میں حاضری
جناب سلیمان لالانی	پانچ	پانچ
محترمہ عفت زہرہ منکافی	چار	چار
جناب حسن شاہد	پانچ	پانچ
جناب آصف رضا ثناء	پانچ	چار
جناب عمران حلیم شیخ	پانچ	تین
محترمہ عائشہ فیصل صلاح الدین	پانچ	پانچ
جناب زاہد اللہ خان	چار	چار
جناب مرزا سادید برلاس *	تین	دو
جناب حسنین رضانیسی **	ایک	ایک
جناب طاہر علی شیخ **	دو	دو

\* جناب مرزام. سادید ہ. برلاس کی 09 اگست 2021 سے بطور ڈائریکٹر تقرری ہوئی۔

\*\* سال کے دوران، جناب حسنین رضانیسی اور جناب طاہر علی شیخ JSIL کے بطور CEO اور ڈائریکٹر کے بالترتیب مستعفی ہوئے۔

## آڈٹ کمیٹی کے اجلاس

سال کے دوران بورڈ آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے۔ ان اجلاسوں میں ہر ڈائریکٹر کی حاضری بمطابق ذیل ہیں:

نام	اجلاس میں اہلیت	اجلاس میں حاضری
جناب آصف رضا ثناء	چار	تین
محترمہ عائشہ فیصل صلاح الدین	چار	چار
جناب حسن شاہد	چار	چار

## آف ہیومن ریسورسز اینڈ ریمنیریشن کمیٹی کے اجلاس

سال کے دوران، بورڈ آف ہیومن ریسورسز اینڈ ریمنیریشن (HR & R) کمیٹی کا ایک اجلاس ہوا جس میں ہر ڈائریکٹر کی حاضری بمطابق ذیل ہیں:

نام	اجلاس میں اہلیت	اجلاس میں حاضری
محترمہ عائشہ فیصلہ صلاح الدین	ایک	ایک
جناب سلیمان لالانی	ایک	ایک
محترمہ عفت زہرہ مکانی	ایک	ایک

## ایگزیکٹو رسک مینجمنٹ کمیٹی کے اجلاس

سال کے دوران ایگزیکٹو رسک مینجمنٹ کمیٹی کے پانچ اجلاس منعقد کیے گئے، ان اجلاسوں میں ہر ڈائریکٹر کی حاضری بمطابق ذیل ہیں:

نام	اجلاس میں اہلیت	اجلاس میں حاضری
جناب سلیمان لالانی	پانچ	پانچ
محترمہ عفت زہرہ مکانی	چار	چار
جناب عمران حلیم شیخ	پانچ	پانچ
جناب طاہر علی شیخ*	دو	دو
جناب حسنین رضانیسی*	ایک	ایک

\* سال کے دوران، جناب حسنین رضانیسی اور جناب طاہر علی شیخ نے JSIL کے ایگزیکٹو رسک مینجمنٹ کمیٹی کے رکن کی حیثیت سے مستعفی ہو گئے۔

## ڈائریکٹرز کے تربیتی پروگرام

بورڈ کے آٹھ ڈائریکٹرز میں سے سات ڈائریکٹرز ڈیٹنگ پروگرام (DTP) کے تحت سرٹیفکیٹ یافتہ ہیں۔

## ڈائریکٹرز ریمنیریشن

بورڈ کے اراکین کے معاوضے کی منظوری بورڈ خود دیتا ہے، تاہم کوڈ آف کارپوریٹ گورننس ریگولیشنز 2019 کے مطابق اس بات کو یقینی بنایا جاتا ہے کہ کوئی بھی ڈائریکٹر اپنے ریمنیریشن کا فیصلہ کرنے میں حصہ نہ لے۔ کمپنی نان ایگزیکٹو ڈائریکٹرز کو اجلاسوں میں شرکت کے لیے فیس کے علاوہ کوئی معاوضہ ادا نہیں کرتی ہے۔ کمپنی کی ریمنیریشن پالیسیاں مروجہ CCG ریگولیشنز اور کمپنیز ایکٹ 2017 کے سیکشن 227 کے مطابق بنائی گئی ہیں۔ 2020 - 21 میں ڈائریکٹرز اور CEO کے ریمنیریشن کے بارے میں معلومات کے لیے براہ کرم مالیاتی بیانات کے نوٹ نمبر 30 کو ملاحظہ کریں۔

## بورڈ کی جانچ

بورڈ اپنی کارکردگی کے جائزے کو گڈ گورننس میں کلیدی معاون سمجھتا ہے، کیونکہ یہ ڈائریکٹرز سے ان کے تاثرات پر رائے فراہم کرتا ہے کہ بورڈ اس وقت اپنا کردار اورو ذمہ داریاں کس طرح انجام دے رہا ہے۔ اسی کا تصور کرتے ہوئے، بورڈ نے مجموعی طور پر بورڈ، اس کی کمیٹیوں اور اس کے اراکین کی کارکردگی میں مدد کے لیے ابھرتے ہوئے اور کردہ طریقوں پر مبنی ایک اندرون خانہ سوالنامہ تیار کیا ہے۔ کمپنی سیکریٹری سالانہ بورڈ پر بحث اور جائزے کے لیے خلاصہ رپورٹ پیش کرتے ہیں۔

## ڈائریکٹرز کی عدم دلچسپی

مدت کے دوران ڈائریکٹرز اور چیف ایگزیکٹو آفیسر کی جانب سے JSIL شیئرز میں درج ذیل تجارت کی گئی:

جناب حلیم شیخ - ڈائریکٹر - 500 شیئرز خریدے۔

محترمہ عفت زہرہ منگانی - چیف ایگزیکٹو آفیسر - 500 شیئرز خریدے۔

جناب زاہد اللہ خان - ڈائریکٹر - 500 شیئرز خریدے۔

جناب مرزام، سادید ہ. برلاس - 500 شیئرز خریدے۔

مذکورہ لین دین سے متعلق انکشافات پاکستان اسٹاک ایکسچینج کو پہلے ہی کیے جا چکے ہیں۔

## پیرنٹ کمپنی

JS بینک، JS انویسٹمنٹس لمیٹڈ کی ہولڈنگ کمپنی ہے اور 84.56% ایکویٹی اس کی ملکیت ہے۔

## آمدنی فی حصص

مدت کے دوران JSIL کی آمدنی فی حصص (4.86) روپے ہے۔

## اندرونی مالیاتی کنٹرول

اندرونی مالیاتی کنٹرول کا نظام ڈیزائن میں درست ہے اور کمپنی کے ڈائریکٹرز نے اس پر موثر طور پر عمل درآمد اور نگرانی کی ہے۔

## پیٹرن آف شیئر ہولڈنگ

JSIL میں پیٹرن آف شیئر ہولڈنگ اور اضافی معلومات بمطابق 31 دسمبر 2021 کا ایک گوشوارہ سالانہ رپورٹ میں موجود ہے۔

## منسلک پارٹی کی لین دین

منسلک پارٹی کی لین دین سے متعلق 31 دسمبر 2021 کو اختتام پانے والے سال کیلئے آڈٹ مالیاتی گوشوارے کے نوٹ 31 میں ظاہر ہے۔

## منافع منقسمہ (ڈیویڈنڈ)

چونکہ کمپنی کو قبل از ٹیکس 288.74 ملین روپے کا نقصان اٹھانا پڑا اس لیے بورڈ آف ڈائریکٹرز نے نختمہ سال دسمبر 2021 کے لیے ڈیویڈنڈ کا اعلان نہیں کیا۔

## کارپوریٹ سماجی ذمہ داری

JSIL معاشرے کی فلاح میں شرکت پر پختہ یقین رکھتی ہے اور معاشرے کے بڑے حصہ کے فائدے کیلئے تقریبات کا انعقاد کرتی رہتی ہے۔ JSIL فیوچر ٹرسٹ کے ساتھ شراکت میں مختصر سرگرمیوں میں بھی حصہ لیتا ہے۔ فیوچر ٹرسٹ تعلیم، صحت اور سماجی و معاشی حالات کی بہتری اور انسانی خدمت کی سرگرمیوں میں سرگرم عمل ہیں۔ JSIL کے کاروباری طریقوں کا کوئی منفی اثر ماحول پر نہیں پڑتا ہے۔ ہم زیادہ سے زیادہ ماحول دوست سرگرمیوں میں حصہ لیتے ہیں اور اس سلسلے میں کاغذ کے استعمال کو کم سے کم اور اس کی جگہ الیکٹرونک طریقہ اور ذریعہ کا استعمال زیادہ کرتے ہیں، جو خاص طور پر صارفین سے رابطوں اور مارکیٹ کے طریقہ کار کی مناسبت سے کیا جاتا ہے۔ یوم آزادی کے موقع پر، JS انویسٹمنٹس نے پاکستان کے غیر دریافت شدہ ٹیلنٹ میں سرمایہ کاری کو فروغ دیا۔ ہم نے لیاری سے تعلق رکھنے والی ایک نوجوان باصلاحیت

سائیکل سوار سمیر احمد علی کی سرپرستی کی، جو پسماندہ پس منظر سے تعلق رکھنے کے باوجود قومی سطح پر سائیکل سو قریب بننے کے اپنے خوابوں کو پورا کیا۔ یہ کوشش ہمارے ملک کے نوجوانوں میں حوصلہ افزائی پیدا کرنے اور اس یقین کو مضبوط بنانے کے لیے کی تھی کہ آپ کہیں بھی پیدا ہوئے ہوں، اگر آپ میں جذبہ اور لگن ہے تو آپ کو اپنے خوابوں کے حصول سے کوئی نہیں روک سکتا۔

## اضافی معاملات

ا۔ مالیاتی سال کے دوران کمپنی یا اس کی ذیلی کمپنی یا کسی اور کمپنی میں جہاں کمپنی کا مفاد ہو، کاروبار کی نوعیت کے لحاظ سے کوئی تبدیلی نہیں کی گئی ہے۔  
ب۔ JISL کسی قرضہ کی ادائیگی کیلئے نادر ہندہ ہونے میں ملوث نہیں ہے۔

## ایسیٹ منیجر اور ایٹھٹی ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے جے ایس انویسٹمنٹس لمیٹڈ کو "AM2" (اے ایم ٹو) کی مینجمنٹ کوالٹی ریٹنگ "stable" مستحکم امکانات کے ساتھ تفویض کی ہے۔ یہ ریٹنگ مینجمنٹ کے اعلیٰ معیار کی نشاندہی کرتی ہے۔

## آڈیٹرز

بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی سفارش پر، میسرز کے پی ایم جی تاثیر ہادی اینڈ کو، چارٹرڈ اکاؤنٹنٹس کی 31 دسمبر 2022 کو ختم ہونے والے سال کے لیے دوبارہ تقرری کی تجویز پیش کی۔

## اظہار تشکر

ڈائریکٹرز بیش قدر معاونت، مدد اور رہنمائی پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور اپنے زیر انتظام فنڈز کے ٹرسٹیز کی مسلسل گراں قدر تعاون، معاونت اور رہنمائی کیلئے اظہار تشکر کرتے ہیں۔ بورڈ لگن اور محنت پر JISL کے ملازمین اور انتظامیہ پر اعتماد پر شیئر ہولڈرز کا بھی شکریہ ادا کرتا ہے۔

بورڈ کی طرف سے

حسن شاہد

ڈائریکٹر

عفت زہرہ منکائی

چیف ایگزیکٹو آفیسر

کراچی: 23 فروری 2022

# FINANCIAL AND BUSINESS HIGHLIGHTS

		2021	2020	2019	2018	2017	2016
<b>KEY INDICATORS</b>							
<b>Performance</b>							
Return on assets	%	(13.99)	(1.64)	(3.47)	1.66	1.14	7.06
Assets turnover		0.02	0.14	0.13	0.15	0.12	0.16
Receivables turnover	Days	24.55	28.65	35.21	31.72	27.00	37.49
Return on equity	%	(18.30)	(2.22)	(4.57)	2.02	1.36	8.53
<b>Leverage</b>							
Debt:Equity		0.16	0.19	0.15	0.02	-	-
<b>Liquidity</b>							
Current		9.72	11.16	10.96	7.56	9.28	11.72
<b>Valuation</b>							
Earnings per shares	Rs.	(4.86)	(0.64)	(1.40)	0.52	0.40	2.49
Breakup value per share	Rs.	24.36	28.74	29.38	24.66	26.97	32.10
Price earning ratio	times	-	-	-	15.37	23.39	6.22
Market price to break up value	times	0.51	0.81	0.55	0.32	0.35	0.48
Market value per share - year end	Rs.	12.50	23.25	16.21	8.00	9.40	15.50
Market value per share - High	Rs.	23.60	25.50	18.50	11.50	17.50	17.49
Market value per share - Low	Rs.	12.00	9.86	6.31	7.65	9.95	13.51
Market capitalization (Rs. in Million)		772.18	1,436.25	1,001.36	641.37	753.62	1,242.66
<b>Historical trends</b>							
Management fee (Rs. in Million)		154.83	172.97	198.77	195.07	198.37	155.35
Operating (loss)/profit (Rs. in Million)		(278.98)	(2.81)	(91.94)	17.18	35.58	181.89
(Loss)/Profit before tax (Rs. in million)		(288.74)	(22.99)	(59.00)	57.01	67.50	209.80
(Loss)/Profit after tax (Rs. in million)		(300.08)	(39.80)	(86.65)	41.73	32.22	199.70
Assets under management (Rs. in million)		22,773.21	26,007.37	25,130.95	20,847.76	14,453.00	13,521.00
No. of funds under management		15	17	16	14	14	12
Share capital (Rs. in million)		617.74	617.74	617.74	801.72	801.72	801.72
Shareholders equity (Rs. in million)		1,504.45	1,774.99	1,814.79	1,976.79	2,161.94	2,573.74
Total assets (Rs. in million)		1,984.86	2,305.29	2,562.03	2,435.73	2,599.12	3,074.01
Contribution to the national exchequer (Rs. in million)		45.88	62.38	48.13	51.31	30.58	29.01
<b>Payouts</b>							
Cash dividend	%	-	-	4	-	0.50	5

# CORPORATE GOVERNANCE





KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh Sultan Trust Building No. 2, Beaumont Road  
Karachi 75530 Pakistan  
+92 (21) 35685847, Fax +92 (21) 35685095

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

### **To the Members of JS Investments Limited**

#### **Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of JS Investments Limited ("the Company") for the year ended 31 December 2021 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 31 December 2021.

**Date: 16 March 2022**

**Karachi**

**KPMG Taseer Hadi & Co  
Chartered Accountants**



# STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 FOR THE YEAR ENDED DECEMBER 31, 2021

This statement is being presented to comply with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulation). The purpose of the Code is to establish a framework of good governance, whereby a listed entity is managed in compliance with the best practices of corporate governance. The company has complied with the requirements of the regulations in the following manner:

1. The total number of directors are 8 as per the following:

- 1) Male: 6
- 2) Female: 2

2. The composition of the Board is as follows:

Category		Names
Independent Directors	Female	Ms. Aisha Fariel Salahuddin
	Male	Mr. Asif Reza Sana
Executive Director		Ms. Iffat Zehra Mankani– Chief Executive Officer*
Non-Executive Directors		Mr. Suleman Lalani - Chairman
		Mr. Hasan Shahid
		Mr. Imran Haleem Shaikh
		Mr. Mirza M. Sadeed H. Barlas***
		Mr. Zahid Ullah Khan**

\* Ms. Iffat Zehra Mankani appointed as Chief Executive Officer w.e.f April 15, 2021 in place of Mr. Hasnain Raza Nensey.

\*\* Mr. Zahid Ullah Khan appointed as Director w.e.f March 18, 2021 in place of Mr. Kamran Jafar.

\*\*\* Mr. Mirza M. Sadeed H. Barlas appointed as Director w.e.f August 09, 2021 in place of Mr. Tahir Ali Sheikh.

The independent directors meet the criteria of independence as defined under section 166 of the Companies Act, 2017 (Act).

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of the significant policies along with the date on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the board.

8. The board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. Out of eight directors on the board seven are certified under the Directors Training Program (DTP). During the period the following CEO/ Director completed Directors' Training Program:
  - Ms. Iffat Zehra Mankani
  - Mr. Zahid Ullah Khan
10. The board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. The financial statements of the Company were duly endorsed by chief executive officer and chief financial officer before approval of the board.
12. The board has formed committees comprising of members given below:

Committees	Members
Audit Committee	Mr. Asif Reza Sana (Chairman) Ms. Aisha Fariel Salahuddin Mr. Hasan Shahid
Human Resource and Remuneration Committee	Ms. Aisha Fariel Salahuddin (Chairperson) Ms. Iffat Zehra Mankani Mr. Suleman Lalani
Executive Risk Management Committee	Mr. Suleman Lalani (Chairman) Ms. Iffat Zehra Mankani Mr. Imran Haleem Shaikh

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committees is as follows:
  - a) Audit Committee; four meetings of the committee were held during the year.
  - b) Human Resource and Remuneration Committee; one meeting of the committee was held during the year.
  - c) Executive Risk Management Committee; five meetings of the committee were held during the year.
15. The board has outsourced the internal audit function to BDO Ebrahim & Company, Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedure of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal auditor, company secretary or director of the company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of mandatory regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

Please note non mandatory regulation no.5 of the Regulations was not applicable this year. In addition the Company is maintaining record of significant policies as required under non mandatory regulation no.10 (4) of the regulations.

19. The two elected independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations under which hereby fulfilled the necessary requirements; not warrant the appointment of a third independent director.

---

**Iffat Zehra Mankani**  
Chief Executive Officer

---

**Hasan Shahid**  
Director

February 23, 2022  
Karachi.

## AUDIT COMMITTEE AND ITS TERMS OF REFERENCE

The board of directors of JS Investments Limited has established an Audit Committee, comprising three non-executive directors.

The Audit Committee meets at least once every quarter of the financial year. During the year under review four meetings of the Committee were held which were attended by the members as follows:

Mr. Asif Reza Sana (Chairman).....	3
Mr. Hasan Shahid (Member).....	4
Ms. Aisha Fariel Salahuddin (Member).....	4

The Audit Committee shall, inter alia, recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision by the external auditors of any service to the listed company in addition to audit of its financial statements. The Board of Directors shall give due consideration to the recommendations of the Audit Committee in all these matters and where it acts otherwise; it shall record the reasons thereof.

### **The terms of reference of the Audit Committee shall also include the following:**

The board of directors of every listed company shall determine the terms of reference of the audit committee. The board of directors shall provide adequate resources and authority to enable the audit committee to carry out its responsibilities effectively. The terms of reference of the audit committee shall be explicitly documented and shall also include the following:

- a) Determination of appropriate measures to safeguard the listed company's assets;
- b) Review of quarterly, half-yearly and annual financial statements of the listed company, prior to their approval by the Board of Directors, focusing on:
  - i) Major judgmental areas;
  - (ii) Significant adjustments resulting from the audit;
  - (iii) Going concern assumption;
  - (iv) Any changes in accounting policies and practices;
  - (v) Compliance with applicable accounting standards;
  - (vi) Compliance with listing regulations and other statutory and regulatory requirements; and
  - (vii) Significant related party transactions.
- c) Review of preliminary announcements of results prior to publication;
- d) Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- e) Review of management letter issued by external auditors and management's response thereto;
- f) Ensuring coordination between the internal and external auditors of the listed company;
- g) Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the listed company;
- h) Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;

- i) Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- j) Review of the listed company's statement on internal control systems prior to endorsement by the board of directors and internal audit reports;
- k) Instituting special projects, value for money studies or other investigations on any matter specified by the board of directors, in consultation with the Chief Executive Officer and to consider remittance of any matter to the external auditors or to any other external body;
- l) Determination of compliance with relevant statutory requirements;
- m) Monitoring compliance with the regulations and identification of significant violations thereof;
- n) Review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- o) Recommend to the board of directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the listed company by the external auditors in addition to audit of its financial statements. The board of directors shall give due consideration to the recommendations of the audit committee and where it acts otherwise and shall record the reasons thereof.
- p) Consideration of any other issue or matter as may be assigned by the board of directors.

## DIRECTORS ORIENTATION

Every new member of the Board upon induction apprised about business operations, strategy, goals organizational / group structure, subsidiaries, associates and other related parties, Company's visions etc. In addition, to the training programs offered to the Directors for enhancement of their skills. On every quarterly board meeting, management also acquaints the board about new laws introduced during the period as well as amendments in the existing laws and accounting standards.

## DIRECTORS TRAINING PROGRAM

Following Director & CEO have duly completed the Directors' Training Program during the year:

Ms. Iffat Zehra Mankani

Mr. Zahid Ullah Khan

## DIRECTORS REMUNERATION POLICY

### Preamble

This policy has been developed pursuant to the provisions of the Listed Companies (Code of Corporate Governance) Regulations (hereinafter referred to as the "**Regulations**"). The Regulations bear the heading "Formal Policy" which is reproduced herein below:

The board of directors shall have in place a formal policy and transparent procedure for fixing the remuneration packages of individual directors for attending meetings of the board and its committees.

In respect of Directors' Remuneration, The Articles of the Company states that;

"The remuneration of directors for attending meetings of the Board shall from time to time be determined by the directors in their meeting, provided that neither the Chief Executive Officer nor any director in whole time remunerated service with the Company shall be entitled to any payment for attending meetings of the Board. A Director may also be paid all travelling, hotel and other expenses properly incurred by him in attending and returning from the meetings of the Directors or any Committee of the Directors or General Meeting of the Company or in connection with the business of the company"

### Guiding Factors

1. The remuneration of Directors including the Chairman, Chief Executive Officer, Executive Directors, Non-Executive and Independent Directors will be fixed by the Board.
2. The remuneration to be paid to any director for attending the meetings of the board or a committee of directors shall not exceed the scale approved by the company or the board, as the case may be, in accordance with the provisions of the Articles or as may from time to time be permissible by Law.
3. Neither the Chief Executive nor any director in whole time remunerated service with the Company shall be entitled to any payment for attending meetings of the Board and/or sub-committees.

4. A Director shall be entitled to be paid reasonable travelling expenses, hotel charges and other expenses incurred by him for attending Board, Sub-Committee and General Meetings.
5. If any Director is called upon to perform extra services within or outside Pakistan for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a Committee, the Company may remunerate the Director either by a fixed sum or by a percentage of profits or otherwise as may be determined by the Directors, and such remuneration may be either in addition to or in substitution for his or their share in the remuneration above provided for the Directors.

#### **CHAIRMAN OF THE BOARD**

The Chairman of the Board of Directors may be entitled to such extra remuneration as the Board of Directors may determine.

#### **CHIEF EXECUTIVE OFFICER**

The remuneration of Chief Executive Officer shall be governed by the terms and conditions of her contract of employment as approved by the Board keeping in view of his qualifications, expertise, effectiveness etc. The annual increases and performance bonuses, if any, will be determined by the Board from time to time in line with the contract of employment.

#### **EXECUTIVE DIRECTORS**

The remuneration of Executive Directors shall be fixed by the Board keeping in view of their qualifications, expertise, effectiveness and the time given to the Company. The remuneration may include but not limited to salary, transport, medical, telephone, medical insurance for self and spouse, club and/or other memberships and other privileges and benefits incidental or relating to their office in accordance with Company's policies.

The annual increases will be determined by the Board, in consultation with Human Resource and Remuneration Committee with effect from January 1<sup>st</sup> every year. He may also be entitled to annual performance bonus as determined by the Board. The Board as it may deem fit consult the Human Resource & Remuneration Committee in fixing the increases.

#### **NON- EXECUTIVE DIRECTORS AND INDEPENDENT DIRECTORS**

The remuneration of Non- Executive Directors for attending the meetings of Board and its Sub-Committees shall be fixed by the Board from time to time. Similarly, the remuneration of Non-Executive Directors for the extra services performed shall be fixed by the Board from time to time as and when they perform extra services



# POLICY ON RELATED PARTY TRANSACTIONS

Every director (including spouse, children, step children and parents) of the JSIL who is in any way, whether directly or indirectly, concerned or interested in any contract or arrangement entered into, or to be entered into, by or on behalf of the JSIL shall disclose the nature of his concern or interest at a meeting of the board. No director of the JSIL shall take any part in the discussion of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the JSIL. If he/ she is in any way, whether directly or indirectly, concerned or interested in the contract or arrangement.

## DEFINITIONS

“Applicable Laws” means all applicable laws, statutes, ordinances, rules, and regulations, applicable to the Company in the context of Related Party Transactions, whether or not having the force of law, and including all official directives, consents, approvals, authorizations, guidelines, orders and policies of any authority having or purporting to have authority over the Company and all general principles of common law and equity, including but not limited to Companies Act, 2017, COCG and NBFC Laws, and rules and regulations issued thereunder.

“Board” means the Board of the Company.

“COCG” means the Code of Corporate Governance for Listed Companies issued by the Commission as amended from time to time.

“Commission” means the Securities and Exchange Commission of Pakistan.

“Committee” means the Audit Committee of the Board.

“Company” means JS Investment Company Limited.

“NBFC Laws” means NBFC (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008 as amended from time to time.

“Policy” means this Policy for the regulation of Related Party Transactions.

“Related Party” means a Related Party as defined under the Applicable Laws.

“Related Party Transaction” means a transaction between the Company and a Related Party with respect to a subject matter provided under Applicable Laws, provided that transactions executed between the funds, under the management of the Company, and/ or transactions executed between funds and the Company or any of its associated or group companies shall also be deemed to be a Related Party Transaction.

## PREAMBLE

The Policy has been developed to ensure compliance with the Applicable Laws in relation to Related Party Transactions. In the event of any inconsistency between the provisions of this Policy and any Applicable Laws, existing or new laws or directives applicable to the Company, the latter shall take precedence over this Policy. Management of JSIL will ensure that all applicable laws / regulations / requirements are complied with in letter and spirit for undertaking Related Party Transactions.

## PURPOSE

This Policy is intended to ensure the approval and reporting of Related Party Transactions between the Company and a Related Party in accordance with Applicable Laws.

## EFFECTIVE DATE

This Policy shall be deemed to be effective from the date of its approval by the Board and shall continue to remain in force until amended or rescinded by the Board.

## APPROVALS FOR RELATED PARTY TRANSACTIONS

1. The Company may enter into Related Party Transactions in its ordinary course of business on an arm's length basis without the prior approval of the Board.
2. The details of all Related Party Transactions other than clause (1) above, shall be placed before the Committee for review and upon recommendations of the Committee, the same shall be placed before the Board for its approval.
3. If the Committee determines not to recommend a Related Party Transaction to the Board, the Committee, as it deems appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction.
4. In case of a Related Party Transaction which is not on an arm's length basis, necessary justification shall be placed before the Committee and the Board explaining why the transaction is proposed to be executed other than on an arm's length basis.
5. If a Related Party Transaction requires approvals or clearance from the Committee/Board in terms of clause (2) above, the same shall be obtained before the execution of such transaction provided that the Board may, at its discretion, modify or waive any provisions/requirements of this Policy.
6. Where appropriate, the following factors amongst others should be evaluated and presented by the Management to the Committee/ Board, for approval of a Related Party Transaction:
  - (a) the Company's interest, benefit and purpose of the transaction;
  - (b) whether the anticipated transaction falls under the normal course of Company's business;
  - (c) is there any Related Party's interest in the transaction,
  - (d) whether the terms and conditions are on an arm's length basis;
  - (e) conflicts of interest in the proposed transaction, if any;
  - (f) whether the transaction is proposed to be executed at a group level;
  - (g) whether parties other than a Related Party is also participating in the proposed transaction;
  - (h) whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with such proposed transaction.
7. If the Board or the Committee requires further clarification before approving or recommending a Related Party Transaction, as the case may be, it may direct the management to submit such information or take such actions as it deems necessary.

## CONFLICT OF INTEREST

8. Any Board member who has any interest in a Related Party Transaction shall restrain from participating and voting on the approval of such transaction at the Committee/Board level.
9. If majority of Board members are interested in any Related Party Transaction, the matter shall be placed before the general meeting for approval through a special resolution.

## RECORD RETENTION AND DISCLOSURES

10. The Company shall maintain a detailed record of all Related Party Transactions (including those covered under clause (1) above) entered into in each financial year, along with all relevant documents and information in the manner as may be prescribed under the Applicable Laws.
11. All Related Party Transactions shall be disclosed in the Director's Report / Annual Report as per the disclosure requirement(s) set forth in the Applicable Laws and accounting standards.
12. The particulars of all the Related Party Transaction entered into with the approval of the Board of Directors shall be entered into the Register of Contracts or Arrangements in which Directors are interested, maintained by the Company as per the provisions of the Companies Act, 2017.

## RATIFICATION

13. Any Related Party Transaction entered into by a director or employee of the Company, without following the procedures laid out in this Policy, may be ratified by the Board or shareholders in a general meeting, as the case may be, within ninety (90) days from the date such transaction is executed or such other period as may be prescribed under Applicable Laws. If the transaction is not ratified, as above, it may be voidable at the discretion of the Board.

## ROLE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Code of Corporate Governance (“**Code**”) requires that the Chairman and the Chief Executive Officer (“**CEO**”), by whatever name called, shall not be the same person except where provided for under any other law. Further, the Chairman shall be elected from among the non-executive directors of the listed company. The Code also requires that the Board of Directors of a listed company shall clearly define the respective roles and responsibilities of the Chairman and CEO.

Accordingly, the following description set out clear division between the roles and responsibilities of the Chairman and CEO.

### ROLE AND RESPONSIBILITY OF CHAIRMAN OF BOARD

The Chairman shall be responsible for leadership of the board and shall ensure that the board plays an effective role in fulfilling all its responsibilities. In particular, he shall:

1. Ensure effective functioning of the Board and committees of the Board in accordance with the highest standards of corporate governance;
2. Ensure effective communication with shareholders and other stakeholders of the Company to understand their views.
3. Ensure that such an agenda for the Company is set which primarily focus on strategy, performance, value creation and accountability, and ensure that issues relevant to those areas are regularly considered by the Board.
4. Ensure that the Board discussions promote constructive debate and effective decision-making.
5. Ensure that the Board determines the nature and extent of the significant risks to the Company and that the Board reviews regularly the effectiveness of risk management and internal control systems.
6. Ensure that adequate time is allowed for discussion of all agenda items and to ensure that complex or contentious issues are dealt with effectively, making sure in particular that non-executive directors have sufficient time to consider them.
7. Ensure that the Board members receive accurate, timely and clear information relating to agenda items and, in particular, about the company’s performance.
8. Ensure that the Board delegate appropriate authority to the management.
9. Ensure that all Board committees as required under the Code are properly established, composed and effectively operated.

10. Ensure to build an effective Board, its composition and balance, diversity, including gender, and succession planning for the Board and the appointment of senior executives.
11. Liaise with the Human Resource & Remuneration Committee regarding remuneration of the executive directors and senior executives.
12. Ensure that the chairman of the Board Committees properly brief the Board regarding proceedings of their Committees.
13. Ensure proper disclosure in the annual report as required under the Code of Corporate Governance;
14. Ensure that the directors continually update their skills and the knowledge and familiarity with the company to fulfill their role both on Board and Board Committees including in terms of the code of corporate governance.
15. Communicate with the Chief Executive Officer whenever need be.
16. Ensure that the performance and effectiveness of the Board, its committees and individual directors is formally evaluated on an annual basis.
17. Establish a harmonious and open relationship with all executive directors and Chief Executive in particular providing advice and support while respecting the executive responsibilities.
18. Ensure that conflict of interest issues are adequately addressed at Board level.

## **ROLE AND RESPONSIBILITY OF THE CEO**

The Chief Executive Officer shall be responsible for the leadership of business and subject to the control and direction of and the authorities delegated to him/her by the Board of Directors, be responsible for the management of affairs of the company. In particular, he/she shall:

1. Develop strategy for the Company for Board approval and ensure that approved corporate strategy is duly reflected in the business.
2. In conjunction with the Chief Financial Officer, develop an annual budget and the cash flow plan consistent with approved corporate strategies, for presentation to the Board for approval. This should include developing processes and structures to ensure that capital investment proposals are reviewed thoroughly, that associated risks are identified and appropriate steps are taken to manage the risk to the business.

3. Be responsible to the Board for the performance of the Business consistent with approved business plans, corporate strategies and policies and keep the Board as a whole update on progress made against such approved plans, corporate strategies and policies.
4. Plan human resourcing to ensure that the company has the capabilities and resources required to achieve its plans and ensure that robust management succession and management development plans are in place and presented to the Board from time to time.
5. Develop an organizational structure and establish processes and systems to ensure the efficient organization of resources.
6. Ensure that financial results, business strategies where appropriate, targets and milestones are placed before the Board.
7. Develop and promote effective communication with shareholders and other stakeholders.
8. Ensure that business is conducted in accordance with the highest standards of corporate governance.
9. Ensure that the flow of information to the Board is accurate, timely and clear.
10. Establish a close relationship of trust with the Chairman, reporting key developments to him in timely manner and seeking advice and support as appropriate.
11. Ensure that the reporting lines within the Company are clearly established and are effective.
12. Ensure that proper procedures are in place to ensure compliance with all applicable laws, rules and regulations.
13. Ensure an effective framework of internal controls including risk management in relation to all business activities.
14. Ensure that the company has a suitable system and policy for the timely and accurate disclosure of information in accordance with regulatory requirements.
15. Ensure that conflict of interest issues are adequately addressed at management level.

## CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate entity, JS Investments Limited (JSIL) strives to support Corporate Social Responsibility (CSR) initiatives that support economic growth, social progress and environmental protection in Pakistan.

JSIL carries out major philanthropic activities in partnership with the Mahvash & Jahangir Siddiqui Foundation (MJSF) and Future Trust. A fundraising campaign was initiated in collaboration with 'Future Trust' to support research for Covid-19 testing kits in which the employees of JSIL voluntarily contributed their one-day gross salary. Future Trust is actively engaged in the areas of education, health care, improvement of socio-economic conditions, and humanitarian relief. We are continuously looking at options to become environmentally friendly with efforts such as reducing paper by switching to electronic forms and methods especially in the area of customer statements and marketing collateral.

### MAHVASH & JAHANGIR SIDDIQUI FOUNDATION

In 2003, entrepreneur and former Karachi Stock Exchange President, Jahangir Siddiqui with his wife Mahvash, retired university professor, founded the Mahvash & Jahangir Siddiqui Foundation (MJSF).

The foundation aims to create sustainable livelihood opportunities and provide support to empower disadvantaged members of society. In addition to projects directly managed by MJSF, partnerships have also been formed with key international organizations including United Nations agencies, Acumen and Oxfam.

Following is an overview of MJSF's activities:

#### Education

The population of Pakistan is continually growing with over half the total population stated to be below the age of 25 years. These individuals have tremendous potential and the importance of education and vocational training for them cannot be understated. MJSF realizes that to ensure a bright future for the nation's children; creative ideas and a desire to make a difference can go a long way. MJSF's educational programs focus on providing grants for:

- Higher education
- Mainstream education including schools for children with special needs
- Vocational training
- Specialized summer exchange programs

MJSF has provided support to leading educational institutions of Pakistan including Lahore University of Management Sciences, Karachi School for Business and Leadership, Institute of Business Administration Karachi, Progressive Education Network, JS Academy for the Deaf, Fakhr-e-Imdad Foundation and Karigar Training Institute along with having created a unique redeemable endowment fund for Sukkur Institute of Business Administration.

#### Healthcare

MJSF believes it is the fundamental right of every human being to receive adequate and affordable healthcare. Knowing how simple solutions can be effective for both prevention and treatment, MJSF supports provision of free healthcare to the underprivileged. This deep commitment to public health is reflected by:

- Upgrading and adding specialist wards at existing hospitals
- Developing healthcare facilities in rural areas
- Providing mobile health care and surgical services in difficult to access areas
- Distribution of specialized wheelchairs

MJSF is linked with numerous projects and organizations in the healthcare sector including Karachi National Hospital, National Institute of Cardiovascular Diseases, Sindh Institute of Urology and Transplantation, Indus Hospital, National Institute of Child Health and Walkabout Foundation.

MJSF initiated medical and eye camp programs in response to the critical healthcare needs of the rural population who are deprived of basic healthcare services.

In 2017, over 18,000 patients were examined in these camps and almost 4,000 cataract surgeries were performed. In addition, 9,500 patients were screened for Hepatitis B and C.

### **Social Enterprise & Sustainable Development (Sesd)**

Social enterprise aims to provide services at affordable prices to low-income earners so that they may build their own assets and improve their standard of living. The SESD program funds projects that are economically productive and sustainable and which remove or reduce the need for ongoing grants. MJSF is linked with numerous initiatives to help improve the lives of its fellow citizens by supporting organizations like Kashf Microfinance, Acumen Pakistan and its Fellows program, First Response Initiative of Pakistan, along with providing Iftaar for underprivileged and supporting the Magnus Kahl Seeds project to help improve the average yield of crops in the country.

### **Humanitarian Relief**

Pakistan's geographical location and topography make it highly susceptible to natural disasters such as monsoon flooding, landslides, droughts and earthquakes. MJSF has a strategy whereby funding is made available for disaster relief enabling timely action. In addition, it continues support for disaster victims in the aftermath of catastrophes so that they may rebuild their lives as effectively as possible. The Foundation has contributed with significant humanitarian assistance during the following crises:

- 2005 - Earthquake in Azad Jammu & Kashmir(AJK) and Khyber-Pakhtunkhwa Province
- 2008 - Swat Conflict and related Internally Displaced Persons crisis
- 2010 - Super Floods
- 2014 - Thar Drought crisis
- 2015 - Earthquake in Khyber Pakhtunkhwa and Gilgit-Baltistan provinces

### **FUTURE TRUST (FT)**

The following is an overview of philanthropic activities of Future Trust:

#### **Education**

FT has provided financial support to the following organizations: Allama Ghulam Mustafa Qasmi Chair, University of Sindh, Jamshoro for promoting educational and scholarly activities. It also supported Cadet College Hasan Abdal for the construction of a Services Block and in the establishment of the "Jahangir Siddiqui Career Counseling Center".

#### **Healthcare**

Future Trust provides financial support to individuals suffering from cancer and other such terminal diseases.



## **Improvement of Socio-economic Conditions**

Future Trust supported "The i-Care Foundation" in its mission to improve the quality of life of underprivileged Pakistanis, by enhancing the level of philanthropic support to deserving charities. FT also works with them to improve their capacity to deliver more, with greater impact.

FT in collaboration with MJSF has started the installation of deep well hand pumps in Tharparkar as it is a desert area with the lowest Human Development index in Pakistan. The major source of income of a majority of the Thar villagers remains rain-fed agriculture and livestock which is vulnerable to seasonal rains. These hand pumps will bring relief to those villages.

## **Women Empowerment**

JSIL has supported the Pakistan Federation of Business and Professional Women's Organization (PFBPWO). PFBPWO's principle objectives include organizing women in all parts of country to use their combined abilities and strength to encourage women to acquire education in all fields.

# FINANCIAL STATEMENTS

# **INDEPENDENT AUDITOR'S REPORT**

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **Opinion**

We have audited the annexed financial statements of JS Investments Limited ("the Company"), which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss account, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss account, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of the loss, other comprehensive loss, the changes in equity and its cash flows for the year then ended.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

Key audit matter	How our audit addressed the key audit matter
<b>Valuation of investments</b>	
<p>Refer Note 4.4 and 11 to the financial statements.</p> <p>The carrying value of investments held by the Company amounted to Rs. 1,352 million, which constitutes 68% of the Company's total assets as at 31 December 2021.</p> <p>The significant portion of the investments comprise of units of mutual funds classified as "Fair Value through profit or loss".</p> <p>We identified assessing the carrying value of the investment as a key audit matter because of its significance to the financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Assessed the design and tested operating effectiveness of the relevant controls in place relating to valuation of investments;</li> <li>Compared and recalculated the fair valuation of investments with available external quoted market price; and</li> <li>Considered the Company's disclosures of investments in accordance with the requirements of accounting and reporting standards as applicable in Pakistan.</li> </ul>

### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinions:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss account, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

### **Other Matter**

The financial statements of the Company as at and for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements on 17 March 2021.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Taufiq.

**Date: 16 March 2022**

**Karachi**

**UDIN: AR202110106XyLUZvEua**

---

**KPMG Taseer Hadi & Co.**  
**Chartered Accountants**

# STATEMENT OF FINANCIAL POSITION

## AS AT DECEMBER 31, 2021

	Note	2021 ----- Rupees -----	2020
<b>ASSETS</b>			
<b>Non - current assets</b>			
Property and equipment	5	341,147,973	399,187,334
Intangible assets	6	10,994,010	12,235,839
Long-term investment in subsidiary		-	37,500,000
Long-term loans and prepayments - considered good	7	1,454,417	2,252,802
		353,596,400	451,175,975
<b>Current assets</b>			
Balances due from funds under management - related parties	8	105,157,354	109,501,155
Loans and advances - considered good	9	3,258,499	3,810,261
Trade deposits, short term prepayments and other receivables	10	56,660,058	56,610,095
Other financial assets - investments	11	1,352,102,015	1,585,292,142
Taxation - net		87,941,712	89,466,101
Cash and bank balances	12	26,145,280	9,433,434
		1,631,264,918	1,854,113,188
<b>Total assets</b>		<u>1,984,861,318</u>	<u>2,305,289,164</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Share capital</b>			
Authorised capital		2,500,000,000	2,500,000,000
Issued, subscribed and paid-up capital	13	617,742,560	617,742,560
Unappropriated profit		886,705,096	1,157,244,225
		1,504,447,656	1,774,986,785
<b>LIABILITIES</b>			
<b>Non - current liabilities</b>			
Deferred Liabilities	14	-	1,301,172
Long-term financing	15	-	38,999,575
Lease liabilities	17	235,185,675	260,150,050
		235,185,675	300,450,797
<b>Current liabilities</b>			
Accrued and other liabilities	18	167,884,028	166,112,387
Unclaimed dividend		4,945,642	5,182,716
Current maturity of long term financing	15	38,778,533	36,582,363
Current maturity of lease liabilities	17	33,619,784	21,974,117
		245,227,987	229,851,582
<b>Total liabilities</b>		480,413,662	530,302,379
<b>Total equity and liabilities</b>		<u>1,984,861,318</u>	<u>2,305,289,164</u>
<b>Contingencies and commitments</b>	19		

The annexed notes 1 to 36 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director



# STATEMENT OF PROFIT OR LOSS ACCOUNT

## FOR THE YEAR ENDED DECEMBER 31, 2021

	Note	2021 ----- Rupees -----	2020
<b>Income</b>			
Remuneration from funds under management - net	20	154,827,719	172,974,760
Commission from open end funds under management	21	465,252	4,096,138
Dividend income	22	8,199,539	15,644,418
Net unrealised gain/(loss) on revaluation of investments classified as at fair value through profit or loss	11.1	(137,639,293)	114,009,775
Net gain on sale of investments classified as at fair value through profit or loss		11,076,059	6,913,914
Return on bank deposits		1,957,860	3,343,723
Remuneration and share of profit from management of discretionary and non discretionary client portfolio	23	2,533,960	1,859,231
Return on debt security		11,428,554	14,804,122
		<u>52,849,650</u>	<u>333,646,080</u>
Administrative expenses	24	(326,757,876)	(303,651,642)
Selling and distribution expenses	25	(5,070,782)	(32,805,782)
		<u>(278,979,008)</u>	<u>(2,811,344)</u>
<b>Operating Loss</b>			
Financial charges	26	(34,400,093)	(35,002,110)
		<u>(313,379,101)</u>	<u>(37,813,454)</u>
Other income	27	24,643,830	14,821,145
		<u>(288,735,271)</u>	<u>(22,992,309)</u>
<b>Loss before taxation</b>			
Taxation - net	28	(11,340,313)	(16,808,691)
		<u>(300,075,584)</u>	<u>(39,801,000)</u>
<b>Loss for the year</b>			
Loss per share for the year - basic and diluted	29	<u>(4.86)</u>	<u>(0.64)</u>

The annexed notes 1 to 36 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

## STATEMENT OF COMPREHENSIVE INCOME

### FOR THE YEAR ENDED DECEMBER 31, 2021

	2021 ----- Rupees -----	2020
Loss for the year	(300,075,584)	(39,801,000)
Other comprehensive income / (loss)	-	-
<b>Total comprehensive loss for the year</b>	<u><u>(300,075,584)</u></u>	<u><u>(39,801,000)</u></u>

The annexed notes 1 to 36 form an integral part of these financial statements.

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2021

		Issued, subscribed and paid-up capital	Unappropriated profit	Total
	Note	Rupees		
Balance as at January 01, 2020		617,742,560	1,197,045,225	1,814,787,785
Total comprehensive loss for the period ended December 31, 2020		-	(39,801,000)	(39,801,000)
<b>Balance as at December 31, 2020</b>		<b>617,742,560</b>	<b>1,157,244,225</b>	<b>1,774,986,785</b>
Balance as at January 01, 2021		617,742,560	1,157,244,225	1,774,986,785
Transfer upon merger	31.1.13		29,536,455	29,536,455
Total comprehensive loss for the period ended December 31, 2021		-	(300,075,584)	(300,075,584)
<b>Balance as at December 31, 2021</b>		<b>617,742,560</b>	<b>886,705,096</b>	<b>1,504,447,656</b>

The annexed notes 1 to 36 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

# STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED DECEMBER 31, 2021

	Note	2021 ----- Rupees -----	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss for the period before taxation		(288,735,271)	(22,992,309)
<b>Adjustment for:</b>			
Remuneration from funds under management - net	20	(154,827,719)	(172,974,760)
Remuneration from discretionary & non discretionary client portfolio		(2,533,960)	(1,859,231)
Commission from open end funds under management	21	(465,252)	(4,096,138)
Dividend income	22	(8,199,539)	(15,644,418)
Return on debt securities		(11,428,554)	(14,804,122)
Depreciation expense	5.1 & 5.2	68,847,027	70,362,524
Amortization expense	6	5,441,776	4,977,922
Financial charges	26	34,400,093	35,002,110
Return on bank deposits under interest / mark-up arrangements		(1,957,860)	(3,343,723)
Net gain on sale of investments classified as 'at fair value through profit or loss'		(11,076,059)	(6,913,914)
Net unrealised loss / (gain) on revaluation of investments classified as 'at fair value through profit or loss'	11.1	137,639,293	(114,009,775)
Gain/loss on disposal of property and equipment	5.1.1	(16,309,097)	(8,191,921)
		(249,205,122)	(254,487,755)
<b>Working capital changes</b>			
Loans and advances - considered good		1,350,147	1,297,583
Trade deposits, short term prepayments and other receivables		(49,963)	2,899,413
Accrued and other liabilities		(36,332,936)	(19,413,118)
		(35,032,752)	(15,216,122)
		(284,237,874)	(269,703,877)
Taxes paid - net		(9,815,871)	(18,490,302)
Remuneration and commission received from funds under management		162,170,732	192,502,913
<b>Net cash used in operating activities</b>		(131,883,013)	(95,691,266)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment made		(1,972,704,001)	(268,919,192)
Proceeds from sale of investments		2,079,330,844	546,496,451
Payments for purchase of property, equipment and intangible assets		(23,024,540)	(6,764,383)
Amalgamation of wholly owned subsidiary company		37,500,000	-
Dividends received		8,199,539	15,644,418
Return on bank deposits under interest / mark-up arrangements		1,957,860	3,343,723
Return on debt securities		11,428,554	14,804,122
Sale proceeds from disposal of property and equipment		25,644,400	19,603,396
<b>Net cash generated from investing activities</b>		168,332,656	324,208,535
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Deferred Liabilities		-	1,301,172
Long-term financing		-	75,581,938
Dividend paid		(237,074)	(244,867,113)
Payment of lease liability		(17,777,527)	(29,537,997)
Financial charges paid		(31,259,651)	(35,002,110)
Running Finance Facility obtained		340,844,067	-
Running Finance Facility settled		(340,844,067)	-
<b>Net cash used in financing activities</b>		(49,274,252)	(232,524,110)
<b>Net (decrease) / increase in cash and cash equivalents</b>		(12,824,609)	(4,006,841)
Cash and cash equivalents at beginning of the year		9,433,434	13,440,272
Transfer upon merger	31.1.13	29,536,455	-
<b>Cash and cash equivalents at end of the year</b>		26,145,280	9,433,434

The annexed notes 1 to 36 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2021

### 1. STATUS AND NATURE OF BUSINESS

- 1.1** JS Investments Limited (the Company) is a public listed company incorporated in Pakistan on February 22, 1995 under the repealed Companies Ordinance, 1984. The shares of the Company are quoted on the Pakistan Stock Exchange Limited since April 24, 2007. The registered office of the Company is located at The Centre, 19th Floor, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi. The Company is a subsidiary of JS Bank Limited (which has 84.56 percent direct holding in the Company) which is a subsidiary of JSCL (Jahangir Siddiqui & Co. Limited), the ultimate parent.

The Company has obtained the license of an "Investment Advisor" and "Asset Management Company" (AMC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). In addition, the Company also acts as Pension Fund Manager under the Voluntary Pension System Rules, 2005. JSIL has also acquired the Private Equity and Venture Capital Fund Management Services license and REIT Management Services license from Securities and Exchange Commission of Pakistan (SECP).

Geographical location and addresses of business units of the Company are as under:

Location	Address	Purpose
Karachi	The Centre, 19th Floor, Plot No. 28, SB-5 Abdullah Haroon Road Saddar, Karachi	Head Office
Karachi	Plot No.16 - C, 4rth Floor, 21 East Street, Phase 1, DHA near KE Office, Karachi.	DR Site
Lahore	Ground Floor, No 25, Block 13, Plot No.1-4, Usman Block, New Garden Town, Lahore	Branch Office
Islamabad	Office # 414, 4th Floor, PSX Building, Jinnah Avenue, Islamabad	Branch Office

- 1.2** The Company is an asset management company, pension fund and private equity and venture capital manager for the following funds for the year ended December 31, 2021.

#### 1.2.1 Open-end mutual funds

- JS Growth Fund
- JS Value Fund - *Merged in JS Growth Fund in September 2021*
- JS Cash Fund
- JS Islamic Fund
- Unit Trust of Pakistan
- JS Income Fund
- JS Fund of Funds
- JS Islamic Income Fund
- JS Large Cap Fund
- JS Islamic Hybrid Fund of Funds
- JS Islamic Hybrid Fund of Funds - 2 - *Fully matured in March 2021*
- JS Islamic Hybrid Fund of Funds - 3
- JS Islamic Dedicated Equity Fund
- JS Islamic Daily Dividend Fund

## **Private Equity and Venture Capital Fund**

- JS Motion Picture Fund

## **Pension funds**

- JS Pension Savings Fund
- JS Islamic Pension Savings Fund

## **2. SIGNIFICANT EVENTS**

On 19 February 2021, the Board of Directors of the Company passed a resolution approving a Scheme of Amalgamation under Section 284(1) of the Companies Act, 2017, to amalgamate its wholly owned subsidiary, JS ABAMCO Commodities Limited with and into the Company, which was approved by SECP on 24 June 2021. As such, as of the Effective Date 31 March 2021, the entire undertaking of JS ABAMCO Commodities Limited will stand merged with and into the Company. Accordingly on 31 March 2021, the entire business of JS ABAMCO Commodities Limited including its assets, liabilities and rights and obligations are vested into the Company. Since, JS ABAMCO Commodities Limited was a group company under common control, the merger has been accounted for as a common control transaction and predecessor accounting has been applied. Under predecessor accounting, the acquired net assets of JS ABAMCO Commodities Limited are included in the financial statements of the Company at the same carrying values as recorded in JS ABAMCO Commodities Limited's own financial statements as on 31 March 2021. The results and the statement of financial position of JS ABAMCO Commodities Limited are consolidated prospectively from the date of merger.

## **3. BASIS OF PREPARATION**

### **3.1 Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations);

Where the provisions and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

### **3.2 Consolidation of mutual fund by the asset management company**

The Securities and Exchange Commission of Pakistan (SECP) vide SRO 56 (1) / 2016 dated January 28, 2016, has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and Section 237 of the Companies Ordinance, 1984 are not applicable in case of investments made by companies in mutual funds established under Trust structure. Accordingly, the Company has not consolidated the financial position and result of operations of mutual funds managed by it in their financial statements.

### **3.3 Basis of measurement**

These financial statements have been prepared under historical cost convention except for certain investments which are stated at fair value.

### **3.4 Functional and presentation currency**

These financial statements have been presented in Pakistani Rupees, which is the Company's functional and presentation currency.

### **3.5 Use of estimates and judgments**

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and judgments that have a significant effect on the financial statements are as follows:

- i) Amortisation of intangible assets (notes 4.3 and 6);
- ii) Provision for taxation (notes 4.9 and 28);
- iii) Classification and valuation of investments (notes 4.4 and 11);
- iv) Determination and measurement of useful life and residual value of property and equipment (notes 4.2 and 5.1);
- v) Recognition and measurement of deferred tax assets and liabilities (notes 4.9 and 16); and
- vi) Leases (note 4.13).



### 3.6 New accounting standards / amendments and IFRS interpretations that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 January 2022:

**Onerous Contracts** - Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual periods beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarify what comprises the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

#### Annual Improvements to IFRS standards 2018-2020

The following annual improvements to IFRS Standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:

- **IFRS 9** – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- **IFRS 16** – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- **IAS 41** – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.
- **Property, Plant and Equipment: Proceeds before Intended Use** (Amendments to IAS 16) effective for annual periods beginning on or after 1 January 2022 clarifies that sales proceeds and costs of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items by applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

- **Reference to the Conceptual Framework (Amendments to IFRS 3)** - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3. An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.
- **Classification of liabilities as current or non-current (Amendments to IAS 1)** amendments apply retrospectively for the annual periods beginning on or after 1 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

- **Definition of Accounting Estimates (Amendments to IAS 8)** – The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.

The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023 and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

- **Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)** – The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.
- **Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)** – The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

The above amendments are effective from annual periods beginning on or after 01 January, 2022 and are not likely to have an impact on the company's financial statements.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**4.1** The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year.

#### **4.2 Property and equipment**

##### **a) Owned assets**

Property and equipment are stated at cost or revalued amounts less accumulated depreciation and accumulated impairment losses, if any, except for capital work-in-progress which is stated at cost less impairment, if any. All expenditures connected with specific assets incurred during installation and construction period are carried under capital work-in-progress.

Subsequent costs are included in the asset's carrying amounts or recognized as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other subsequent costs including repair and maintenance are charged to the statement of profit or loss account as and when incurred.

Depreciation is charged to statement of profit or loss by applying the straight-line method, whereby the cost or revalued amount of an asset is written off over its estimated useful life. The residual values and useful lives are reviewed, and adjusted, if required, at each reporting date.

Depreciation on fixed assets is charged from the month in which the asset is available for use. No depreciation is charged for the month in which the asset is disposed off.

The residual value, useful lives and depreciation methods are reviewed at each reporting period and adjusted, if appropriate, to reflect the current best estimate.

### 4.3 Intangible assets

Intangible assets includes software with a finite useful life and are stated at cost less accumulated amortization and accumulated impairment losses, if any. Such intangible assets are amortized using the straight-line method taking into account residual value, if any, at the rate specified in note 5 to these financial statements. Amortization is charged from the date the asset is available for use while in the case of assets disposed off, it is charged till the date of disposal. The useful lives and amortization method are reviewed and adjusted, if appropriate, at each reporting date.

### 4.4 Financial instruments

Bank balances and loans and advances to employees / counter parties are recognised when funds are transferred to the banks / employees / counterparties. The Company recognises due to counterparties when funds reach the Company.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded as 'at fair value through profit or loss'

#### 4.4.1 Classification - IFRS 9

In accordance with IFRS 9, the Company classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be 'at fair value through profit or loss' if:

- i) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- ii) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or
- iii) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

#### Financial assets

The Company classifies its financial assets as subsequently measured 'at amortised cost' or measured 'at fair value through profit or loss' on the basis of both:

- The entity's business model for managing of the financial assets
- The contractual cash flow characteristics of the financial asset

#### Financial assets measured 'at amortised cost'

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company includes in this category short-term non-financing receivables, accrued income and other receivables.

#### Financial assets measured 'at fair value through profit or loss'

A financial asset is measured 'at fair value through profit or loss' if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding; or
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or

- (c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

## **Financial liabilities**

### **Financial liabilities measured at amortised cost**

This category includes all financial liabilities, other than those measured 'at fair value through profit or loss'. The Company includes in this category short-term payables, including accrued and other liabilities.

## **4.4.2 Measurement of financial asset**

### **Initial measurement**

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

### **Subsequent measurement**

#### **Debt Investments at FVOCI**

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, and impairment are recognised in the statement of profit or loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit and loss.

#### **Equity Investments at FVOCI**

These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the statement of profit and loss.

#### **Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in the statement of profit and loss.

#### **Financial assets measured at amortised cost**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / markup income, and impairment are recognised in the statement of profit and loss.

## **4.4.3 Non-derivative financial assets**

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

#### 4.4.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the unconsolidated financial statements only when the Company has a legally enforceable right to offset and the Company intends to either settle on a net basis, or to realise the assets and to settle the liabilities simultaneously. Income and expense items of such assets and liabilities are also offset and the net amount is reported in the unconsolidated financial statements only when permitted by the accounting and reporting standards as applicable in Pakistan.

#### 4.4.5 Financial liabilities

Financial liabilities are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings and trade and other payables. The Company derecognises the financial liabilities when contractual obligations are discharged, cancelled or expire. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

#### 4.4.6 Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Company has:

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

#### 4.4.7 Impairment

##### 4.4.7.1 Financial assets

The Company recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.



Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the Gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Based on the management assessment no ECL was required since the Company's financial assets at amortized cost are held with related parties or counterparties with low credit risk. Further, ECL calculated on Trade Debts was not required as the amount assessed was immaterial to the unconsolidated financial statement.

#### **4.4.7.2 Non-financial assets**

The carrying amounts of the Company's non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the unconsolidated statement of profit or loss.

#### **4.5 Revenue recognition**

- Remuneration for management services and asset investment advisory services are recognized on an accrual basis by applying pre-defined remuneration percentage on daily net asset value of the respective funds. The fee so charged does not exceed the limit prescribed in the NBFC Regulations / Voluntary Pension System Rules 2005.
- Realised gains / losses on sale of investments is recognized in the statement of profit or loss at the time of sale.
- Dividend income is recorded when the right to receive the dividend is established.



- Return on bank deposits, mark-up on term finance certificate, mark-up on letter of placements and mark-up on commercial papers are recognized on time proportionate basis by using effective rate of interest.
- Commission income from open end funds is recognized at the time of sale of units.
- Commission income and share of profit from management of discretionary and non discretionary client portfolios is recognized as services are rendered.

#### **4.6 Staff retirement benefits - Staff Provident Fund**

The Company operates an approved contributory provident fund for all of its permanent employees. The Company and employees make equal monthly contributions to the fund at the rate of 7.33 percent of the basic salary.

#### **4.7 Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the outflow can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

#### **4.8 Taxation**

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss account, except to the extent that it relates to items recognized directly in equity or other comprehensive income, in that case it is recognized in equity or other comprehensive income respectively.

##### **Current**

Provision for current taxation is based on taxability of certain income streams of the Company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credits and tax rebates available, if any.

##### **Deferred**

Deferred tax is recognized using the balance sheet liability method on all major temporary differences between the carrying amount of assets and liabilities used for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised for all deductible temporary differences and carry-forward of unused tax losses, to the extent that it is probable that taxable profit or taxable temporary differences will be available against which the deductible temporary differences and / or carry-forward of unused tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax is charged or credited to the profit and loss account.

## **4.9 Cash and cash equivalents**

Cash and cash equivalents for cash flow purposes include cash in hand, current and deposit accounts held with banks, running finance facilities availed by the Company (if any), which are payable on demand and form an integral part of the Company's cash management.

## **4.10 Earnings per share**

Earnings per share is calculated by dividing the profit after tax for the year by the weighted average number of shares outstanding during the year.

## **4.11 Dividend and other appropriation to reserves**

Dividend and appropriation to reserves are recognized in financial statements in the periods in which these are approved.

## **4.12 Leases**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

### **Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

## Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under some of its leases to lease the assets for additional terms of one to five years. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Company included the renewal period as part of the lease term for leases of Company's head office and branches due to the significance of these assets to its operations. These leases have a short non-cancellable period (i.e., three to five years) and there will be a significant negative effect on operations if a replacement is not readily available.

## 5. PROPERTY AND EQUIPMENT

	Note	2021 ----- Rupees -----	2020 ----- Rupees -----
Operating fixed assets	5.1	<b>146,269,405</b>	172,558,300
Right-of-use assets	5.2	<b>194,099,697</b>	225,017,100
Capital work-in-progress - advance against capex	5.3	<b>778,871</b>	1,611,934
		<b>341,147,973</b>	399,187,334

### 5.1 Operating fixed assets

#### At January 01, 2021

	Lease hold improvement	Furniture and fixtures	Office equipment	Vehicles	Total
Cost / revalued amount	133,230,064	41,042,313	151,115,263	57,959,368	383,347,008
Revaluation	-	-	-	-	-
Accumulated depreciation	(24,979,901)	(27,058,149)	(124,831,426)	(33,919,232)	(210,788,708)
Net book value	108,250,163	13,984,164	26,283,837	24,040,136	172,558,300

#### Year ended December 31, 2021

Opening net book value	108,250,163	13,984,164	26,283,837	24,040,136	172,558,300
Revaluation	-	-	-	-	-
Additions	-	3,247,999	4,788,973	10,008,750	18,045,722
Disposals	-	(538,269)	(43,202)	(8,753,832)	(9,335,303)
Depreciation charge for the year	(13,023,917)	(1,880,139)	(13,223,200)	(6,872,058)	(34,999,314)
Closing net book value	95,226,246	14,813,755	17,806,408	18,422,996	146,269,405

#### At December 31, 2021

Cost / revalued amount	133,230,064	43,752,043	155,861,034	59,214,286	392,057,427
Accumulated depreciation	(38,003,818)	(28,938,288)	(138,054,626)	(40,791,290)	(245,788,022)
Net book value	95,226,246	14,813,755	17,806,408	18,422,996	146,269,405

Depreciation rate % per annum	10%	10%	25%	20%	
-------------------------------	-----	-----	-----	-----	--

	2020				
	Lease hold improvement	Furniture and fixtures	Office equipment	Vehicles	Total
	----- Rupees -----				
<b>At January 01, 2020</b>					
Cost / revalued amount	130,466,248	41,042,313	149,431,648	69,242,536	390,182,745
Revaluation	-	-	-	-	-
Accumulated depreciation	(12,209,334)	(25,254,381)	(111,099,880)	(26,094,318)	(174,657,913)
Net book value	118,256,914	15,787,932	38,331,768	43,148,218	215,524,830
<b>Year ended December 31, 2020</b>					
Opening net book value	118,256,914	15,787,932	38,331,768	43,148,218	215,524,832
Revaluation	-	-	-	-	-
Additions	2,763,816	-	1,811,924	-	4,575,740
Disposals	-	-	(128,309)	(11,283,168)	(11,411,477)
Depreciation charge for the year	(12,770,567)	(1,803,768)	(13,731,546)	(7,824,914)	(36,130,796)
Closing net book value	108,250,163	13,984,164	26,283,837	24,040,136	172,558,300
<b>At December 31, 2020</b>					
Cost / revalued amount	133,230,064	41,042,313	151,115,263	57,959,368	383,347,008
Accumulated depreciation	(24,979,901)	(27,058,149)	(124,831,426)	(33,919,232)	(210,788,709)
Net book value	108,250,163	13,984,164	26,283,837	24,040,136	172,558,300
Depreciation rate % per annum	10%	10%	25%	20%	

#### 5.1.1 Details of operating fixed assets disposed of:

	Cost / revalued	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of buyer
	----- Rupees -----						
<i>Vehicles</i>							
1 Honda City	1,929,410	747,646	1,181,764	2,415,000	1,233,236	Third party via bid	Syed Najaf Hussain Jaffri
2 Wagon R VXL	1,089,690	640,193	449,497	1,250,000	800,503	Third party via bid	Parvaiz Siddique Masih
3 Honda Civic	2,423,960	1,605,874	818,086	2,925,000	2,106,914	Third party via bid	Wasim Nazar Ali
4 Honda Civic	2,423,960	1,636,173	787,787	2,925,000	2,137,213	Third party via bid	Muneer Associates
5 Toyota Corolla Gli	1,886,629	1,297,055	589,574	2,400,000	1,810,426	Third party via bid	Syed Ali Abbas
6 Mercedes Benz	7,870,470	5,115,806	2,754,664	8,900,000	6,145,336	Third party via bid	Victory Cars, Lahore
7 Honda City	1,932,660	1,111,280	821,380	2,300,000	1,478,620	Third party via bid	Noman Usman
8 Honda City	2,219,321	868,241	1,351,080	2,175,000	823,920	Third party via bid	Syed Anwar Ali
9 Furniture and Fixtures	745,923	207,654	538,269	132,400	(405,869)	Third party via bid	Tip top dry cleaner
10 Items having Book Values of Less than Rs.500,000 each*	1,881,312	1,838,110	43,202	222,000	178,798	Third party via bid	Others
<b>As at December 31, 2021</b>	<b>24,403,335</b>	<b>15,068,032</b>	<b>9,335,303</b>	<b>25,644,400</b>	<b>16,309,097</b>		
<b>As at December 31, 2020</b>	17,882,859	6,471,382	11,411,477	19,603,396	8,191,919		

\* Includes Disposals of all other class of operating fixed assets.

**5.1.2** The cost of fully depreciated assets as at December 31, 2021 is Rs.38.659 (2020: Rs.36.629) million.

	2021	2020
	----- Rupees -----	
<b>5.2 Right-of-use assets</b>		
As at January 01	<b>225,017,100</b>	259,248,828
Modification of lease	<b>2,930,310</b>	-
Depreciation expense	<b>(33,847,713)</b>	(34,231,728)
As at December 31	<b>194,099,697</b>	225,017,100

**5.3 Advance against Capital Work in Progress**

Opening Balance	<b>1,611,934</b>	1,313,212
Additions	<b>21,412,606</b>	6,764,382
Transfers	<b>(22,245,669)</b>	(6,465,660)
Closing Balance	<b>778,871</b>	1,611,934

**6. INTANGIBLE ASSETS**

2021                      2020  
----- Rupees -----

**At January 01**

Cost	<b>58,718,633</b>	56,828,713
Accumulated amortization	<b>(46,482,794)</b>	(41,504,872)
Net book value	<b>12,235,839</b>	15,323,841

**Year ended December 31**

Opening net book value	<b>12,235,839</b>	15,323,841
Additions during the year	<b>4,199,947</b>	1,889,920
Amortization for the year	<b>(5,441,776)</b>	(4,977,922)
Closing net book value	<b>10,994,010</b>	12,235,839

**At December 31**

Cost	<b>62,918,580</b>	58,718,633
Accumulated amortization	<b>(51,924,570)</b>	(46,482,794)
Net book value	<b>10,994,010</b>	12,235,839

Amortization rate % per annum	<b>20%</b>	20%
-------------------------------	------------	-----

		2021	2020
	Note	----- Rupees -----	
<b>7. LONG-TERM LOANS AND PREPAYMENTS - CONSIDERED GOOD</b>			
Loans to employees	7.1	<b>419,913</b>	1,177,630
Less: Current portion	9	<b>(343,636)</b>	(696,502)
		<b>76,277</b>	481,128
Long term prepayment	7.2	<b>3,935,342</b>	3,935,342
Less: Amortisation		<b>(2,163,668)</b>	(1,770,134)
Less: Current portion		<b>(393,534)</b>	(393,534)
		<b>1,378,140</b>	1,771,674
		<b>1,454,417</b>	2,252,802

**7.1** These represent loans given to employees for purchase of motor vehicles loans and staff personal loans. These loans are recovered through deduction from salaries over varying periods from four to fifteen years. These loans are granted in accordance with the terms of employment. The motor vehicle loans are secured by way of title to the motor vehicles being held in the name of the Company and house loans are secured by way of equitable mortgage. Motor vehicle loans, house loans and staff personal loan carry mark-up at rates ranging from 3.58% to 8.17% (2020: 5.15% to 13.74%) per annum. The Company has not discounted these loans at market interest rates as the effect of such discounting is not material to these financial statements.

During the year, the company has introduced a new policy of house loan in which the company reimburses mark up on house loans over and above KIBOR rate not exceeding the cap of 2%.

The maximum aggregate amount due from employees outstanding at the end of any month during the year was Rs.0.43 (2020: Rs.1.17) million.

**7.2** This represents payment made in respect of club membership fee for ten years to Karachi Boat Club.

## 8. BALANCES DUE FROM FUNDS UNDER MANAGEMENT - RELATED PARTIES

### 8.1 Balances due from funds under management

#### Open end Funds (note 8.2)

	2021	2020
	----- Rupees -----	
JS Value Fund	14,349,827	15,534,089
JS Growth Fund	37,888,132	37,295,467
JS Large Cap Fund	11,861,856	12,042,332
Unit Trust of Pakistan	17,181,228	17,333,925
JS Income Fund	5,214,940	5,510,284
JS Islamic Fund	6,109,768	6,357,504
JS Fund of Funds	536,215	518,302
JS Pension Savings Fund	3,587,936	3,600,240
JS Islamic Pension Savings Fund	1,915,593	1,952,563
JS Islamic Income Fund	1,478,388	1,509,513
JS Cash Fund	4,391,018	7,143,377
JS Islamic Hybrid Fund of Funds	2,682	-
JS Islamic Dedicated Equity Fund	365,048	100,769
JS Islamic Hybrid Fund of Funds - 3	14,562	102,684
JS Motion Picture Fund	81,087	368,738
JS Islamic Daily Dividend Fund	179,074	131,367
	<b>105,157,354</b>	<b>109,501,155</b>

8.2 Balances due from funds under management primarily represent accrual of management fee, sales tax and federal excise duty. Management fee is received within next month from the date of accrual.

## 9. LOANS AND ADVANCES - CONSIDERED GOOD

	Note	2021	2020
		----- Rupees -----	
Current portion of long-term loans to employees	7	343,636	696,502
Unsecured advances to			
- employees		2,231,362	2,938,758
- suppliers		683,501	175,001
		<b>2,914,863</b>	<b>3,113,759</b>
		<b>3,258,499</b>	<b>3,810,261</b>



## 10. TRADE DEPOSITS, SHORT TERM PREPAYMENTS AND OTHER RECEIVABLES

Sindh Sales Tax on rent & other receivable from related parties	10.1	<b>32,574,180</b>	40,029,929
Deposits		<b>4,548,956</b>	4,228,956
Prepayments		<b>12,871,063</b>	8,692,175
Others		<b>6,962,212</b>	3,659,035
		<b>56,956,411</b>	56,610,095
Provision against other receivable from related parties	10.2	<b>(296,353)</b>	-
		<b>56,660,058</b>	56,610,095

**10.1** This represents balances due from related parties on account of rent and other expenses incurred on their behalf. It also includes Rs.3.087 (2020: Rs.3.236) million of expenses incurred on the formation cost on behalf of funds under management.

	2021	2020
	----- Rupees -----	
Opening balance	-	-
Provision made during the year	<b>296,353</b>	-
Closing balance	<b>296,353</b>	-

## 11. OTHER FINANCIAL ASSETS - INVESTMENTS

	2021	2020
	----- Rupees -----	
<b>Investments by category</b>		
<b>At fair value through profit or loss'</b>		
Units of mutual funds - related parties	11.1 <b>1,227,102,015</b>	1,460,292,142
Unlisted debt security - Term Finance Certificate [25,000 certificates (2020: 25,000 certificates)]	11.2 <b>125,000,000</b>	125,000,000
	<b>1,352,102,015</b>	1,585,292,142
	<b>1,352,102,015</b>	1,585,292,142

## 11.1 Units of mutual funds - 'At fair value through profit or loss' (related parties)

Number of units			2021		2020
2021	2020		Average cost	Fair value	Fair value
			----- Rupees -----		
<b>461,361</b>	456,110	JS Income Fund (note 11.1.1)	<b>44,017,642</b>	<b>46,362,212</b>	45,150,314
-	382,292	JS Islamic Income Fund	-	-	40,435,029
<b>419,093</b>	-	JS Cash Fund	<b>44,172,670</b>	<b>44,633,403</b>	-
-	3,305	JSIHFOF - Mustahkem	-	-	217,563
-	76,142	JSIHFOF - Mufeed	-	-	3,659,391
<b>61,443</b>	49,068	JSIHFOF - Mutanasib	<b>4,465,652</b>	<b>3,182,770</b>	3,698,234
<b>1,000,000</b>	1,000,000	JS Motion Picture Fund	<b>97,700,000</b>	<b>21,520,000</b>	97,700,000
-	1,343,094	JS Value Fund	-	-	286,643,090
<b>3,175,696</b>	1,937,116	JS Growth Fund (note 11.1.1)	<b>581,077,183</b>	<b>527,229,067</b>	348,448,361
<b>205,210</b>	205,210	JS Pension Savings Fund - Equity	<b>98,131,485</b>	<b>93,957,510</b>	98,131,485
<b>137,349</b>	137,349	JS Pension Savings Fund - Debt	<b>41,339,299</b>	<b>44,453,001</b>	41,339,299
<b>177,463</b>	177,463	JS Pension Savings Fund - Money Market	<b>43,073,920</b>	<b>46,257,614</b>	43,073,920
<b>3,373,965</b>	2,822,294	JS Fund of Funds	<b>214,359,670</b>	<b>199,603,765</b>	179,582,560
<b>147,900</b>	182,354	JS Islamic Pension Savings Fund - Equity	<b>97,301,913</b>	<b>94,130,938</b>	119,968,655
<b>213,852</b>	213,852	JS Islamic Pension Savings Fund - Debt	<b>51,942,438</b>	<b>55,635,657</b>	51,942,438
<b>222,303</b>	222,303	JS Islamic Pension Savings Fund - Money Market	<b>47,159,436</b>	<b>50,136,078</b>	47,159,436
-	407,754	JS Islamic Daily Dividend Fund	-	-	40,775,361
-	123,571	JS Islamic Fund	-	-	12,367,005
			<b>1,364,741,308</b>	<b>1,227,102,015</b>	<b>1,460,292,142</b>
Unrealised gain on remeasurement at fair value - net			<b>(137,639,293)</b>	-	-
			<b>1,227,102,015</b>	<b>1,227,102,015</b>	<b>1,460,292,142</b>

**11.1.1** 450,000 units of JS Income Fund and 285,000 units of JS Growth Fund are pledged with JS Bank Ltd. against the Refinance Scheme for payment of Wages & Salaries to the Workers and Employees of Business Concerns issued by SBP under Covid-19 relief package through its circular IH&SMEFD Circular No. 07 dated April 10, 2020.

## 11.2 Investment in Debt Security - Term Finance Certificate

This represents investment in AA rated, unsecured, subordinated, perpetual and non-cumulative term finance certificate of Bank AL Habib Limited, having face value of Rs.5,000 per certificate and carries profit at the rate of 6 Months KIBOR + 1.50% per annum.

12. CASH AND BANK BALANCES	Note	2021 ----- Rupees -----	2020
Cash in hand		100,124	75,302
Cash at bank in:			
Current accounts	12.1	569,933	1,168,596
Saving accounts		25,475,223	8,189,536
		26,045,156	9,358,132
		26,145,280	9,433,434

**12.1** These carry mark-up at the rates ranging from 5.50% to 8.75% (2020: 5.50% to 13.70%) per annum. It includes Rs. 23.694 (2020: Rs. 6.563) million held with JS Bank Limited (the Parent Company).

### 13. SHARE CAPITAL

2021 ----- Shares -----	2020		2021 ----- Rupees -----	2020
<b>Authorised capital</b>				
200,000,000	200,000,000	Ordinary shares of Rs.10 each	2,000,000,000	2,000,000,000
50,000,000	50,000,000	Convertible preference shares of Rs.10 each	500,000,000	500,000,000
250,000,000	250,000,000		2,500,000,000	2,500,000,000
<b>Issued, subscribed and paid-up capital</b>				
21,250,000	21,250,000	Ordinary shares of Rs.10 each issued as fully paid in cash	212,500,000	212,500,000
700,000	700,000	Fully paid ordinary shares of Rs.10 each issued on amalgamation with Confidence Financial Services Limited	7,000,000	7,000,000
78,050,000	78,050,000	Ordinary shares of Rs.10 each issued as fully paid bonus shares	780,500,000	780,500,000
(38,225,744)	(38,225,744)	Shares repurchased (2015: 19.8 million and 2019: 18.4 million)	(382,257,440)	(382,257,440)
61,774,256	61,774,256		617,742,560	617,742,560

**13.1** As at year end, JS Bank Limited, the Parent Company, holds 52,236,978 (2020: 52,236,978) shares in the Company.

**13.2** There is only one class of ordinary shares issued.

**13.3** Voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

		2021	2020
	Note	----- (Rupees) -----	
<b>14. DEFERRED LIABILITIES</b>			
Government Grant	14.1	-	1,301,172
<b>14.1 Movement of Government grant</b>			
Opening balance		1,301,172	-
Received during the year		-	4,604,021
Closing balance		1,301,172	4,604,021
Current Portion of Government Grant	14.2	1,301,172	3,302,849
Long - term Portion of Government Grant		-	1,301,172
		1,301,172	4,604,021

**14.2** The Government grant has been recorded against subsidized rate loan obtained to a refinance scheme introduced by State Bank of Pakistan to provide working capital loan at concessional mark-up rates for businesses to finance salary expense during the COVID-19 outbreak. The grant is conditional upon the fact that the Company would not terminate any employee, due / owing to cash flow limitations, for a period of three months from the date of receipt of the first tranche.

		2021	2020
		----- (Rupees) -----	
<b>15. LONG-TERM FINANCING</b>			
<b>- Salaries and Wages</b>			
Long-term financing		-	38,999,575
Current maturity		38,778,533	36,582,363
	15.1	38,778,533	75,581,938

**15.1** In prior year, the Company availed salary refinance facility from JS Bank under the State Bank of Pakistan's (SBP) "Refinance scheme for payment of wages and salaries to the workers and employees of Business concern" due to coronavirus pandemic for a period of two years and six months (inclusive of grace period of six months). In prior year, the Company obtained the loan in two tranches in August 2020 and October 2020. This facility is secured by pledge of JS Income fund and JS Growth fund. This facility carries mark-up at concessional rate of 3% per annum. Principal amount is payable in 8 equal quarterly installment and repayment of financing has been started from January 2021.

## 16. DEFERRED TAXATION

Net deferred tax asset to the extent of Rs. 173.684 (2020: Rs. 138.922) million on accumulated losses of Rs. 598.910 (2020: Rs. 479.039) million has not been recognized in these financial statements as the management of the Company is of the view that it is not probable that sufficient taxable profits will be available in the foreseeable future against which deductible temporary differences, unused tax losses and unused tax credits can be utilised.

**17. LEASE LIABILITIES**

	2021	2020
	----- Rupees -----	
Lease liabilities as on 01 January	282,124,167	311,662,164
Effect of lease modification	214,516	-
Additions during the year	8,557,200	-
Interest expense	30,274,605	33,970,978
Disposals during the year	(4,312,897)	(8,796,397)
Rental payments	(48,052,132)	(54,712,578)
Lease liabilities as on 31 December	268,805,459	282,124,167
Less: Current portion of lease liabilities	(33,619,784)	(21,974,117)
Non Current portion of lease liabilities	235,185,675	260,150,050

**17.1** Lease liabilities are payable as follows:

	2021		
	Minimum Lease Payments (MLP)	Future Finance Cost	Present Value of MLP
Not later than one year	92,823,242	27,011,405	65,811,837
Later than one year and not later than 5 years	273,100,129	70,106,507	202,993,622
	365,923,371	97,117,912	268,805,459
Less: Current portion			(33,619,784)
			235,185,675

**17.2** The liability against assets subject to finance lease represents the lease entered into with a Modaraba for 13 different vehicles (2020: 22 vehicle). The periodic lease payments include profit rates ranging from KIBOR 3M to 6M plus 1% to 1.5% with floor of 7% to 7.5% and ceiling of 20% (2020: KIBOR 3M to 6M plus 1% to 1.5% with floor of 7% to 7.5% and ceiling of 20%) per annum. The Company, shall subject to compliance with the conditions specified in the lease agreements, purchase the assets from the lessor. There are no financial restrictions in the lease agreements.

18. ACCRUED AND OTHER LIABILITIES	Note	2021	2020
		----- Rupees -----	
Federal excise duty payable	18.1	92,244,587	92,244,587
Sales tax payable		18,365,338	17,862,834
Staff bonus accrued		16,901,259	17,000,002
Accrued expenses		15,326,094	13,657,586
Provision for Sindh Workers' Welfare Fund	18.2	11,286,114	10,839,562
Salary payable		2,047,965	2,684,798
Fee and commission payable		1,868,828	2,000,340
Term finance - salaries and wages		1,301,172	3,302,850
Payable to Provident Fund		-	11,877
Other liabilities		8,542,671	6,507,952
		167,884,028	166,112,387

- 18.1** This represents amount payable against Federal Excise Duty (FED) on management fees received / receivable from the Funds under management. The amount is being held for payment to Federal Board of Revenue on the basis of stay order of the Honorable High Court of Sindh dated September 04, 2013. The stay order was granted as a result of petition filed by asset management companies on the forum of MUFAP against the amendment in Finance Act, 2013 which levied FED on the fees received by asset management companies from funds under management.

The Honorable Sindh High Court in its decision dated July 16, 2016 maintained the previous order passed against other constitutional petition whereby levy of FED is declared to be 'Ultra Vires' the Constitution. On September 23, 2016, the Federal Government has filed an appeal against the said order in the Honorable Supreme Court of Pakistan (SCP) and thus, the previous balance of FED has not been reversed.

Further, the Federal Government vide Finance Act, 2016 has excluded asset management companies and other non-banking finance companies from charge of FED on their services. Accordingly, no provision for FED is made from July 01, 2016 onwards.

- 18.2** In view of promulgation of Sindh Workers Welfare Fund Act, 2014, wherein the financial institutions have also been brought into definition of Industrial establishments, the Company has maintained an aggregated provision against Sindh Workers Welfare Fund as the year end amounting to Rs.11.286 (2020: Rs.10.839) million. The Company is under litigation with Sindh Revenue Board vide Constitution Petition No. 1005 dated February 13, 2019, filed before the Honorable Sindh High Court, which is a pending adjudication.

## **19. CONTINGENCIES AND COMMITMENTS**

### **19.1 Contingencies**

- 19.1.1** In respect of the appeals filed by the Company before Commissioner Inland Revenue (Appeals) [CIR (Appeals)] against orders passed for tax years 2006 and 2009 against demand of Rs. 162 million and Rs. 66 million respectively, the CIR (Appeals) had not accepted the basis of additions by tax authorities and set aside both the orders in respect of allocation of expenses between various sources of income for fresh proceedings with the directions to apportion the common expenditure according to actual incurrence of expenditure to the various sources of income.

In respect of the above said order of CIR (Appeals) for tax years 2006 and 2009, the Company filed second appeal before the Appellate Tribunal Inland Revenue (ATIR) in respect of apportionment of expenses. The ATIR vide order dated April 20, 2017 deleted the additions on proration of expenses for tax year 2006 however, confirmed the CIR(A)'s order whereby CIR(A) remanded back / set-aside the issue of apportionment of expenses.

The Appellate Tribunal Inland Revenue vide order dated May 21, 2016 deleted the additions of tax amortization of management rights and remanded back the issues of disallowed provisions and advertisement expenses for the tax year 2009.

The tax authorities issued orders giving effect (hereinafter referred collectively as 'appeal effect orders') to the order of CIR (Appeals) for both tax years 2006 and 2009 whereby demands for these tax years were reduced to Rs. 77.33 million and Rs. 59.93 million respectively. As the allocation of expenditure in the said appeal effect orders was not made according to actual incurrence of expenditure to the various sources of income, therefore, the Company again filed appeals before the CIR (Appeals) against the said orders.

In respect of second round of appeal filed by the Company before CIR (Appeals) against appeal effect orders for tax years 2006 and 2009, the CIR (Appeals) for tax year 2006 confirmed apportionment of expenditure made by the tax authorities in appeal effect order, however, adjustment of allowable expenses were set aside. For the tax year 2009, CIR (Appeals) had set aside the appeal effect order in entirety for fresh assessment, which is yet to be made by tax authorities.

The CIR (Appeals) also rectified the order passed by his predecessor for the tax year 2006, whereby the addition regarding the portion of capital gain included in dividend received from mutual funds was held deleted. Resulted appeal effect order reflects refund of Rs.29 million. The tax authorities have filed an appeal before ATIR against said order of CIR (Appeals) in respect of deletion of addition regarding the portion of capital gain included in dividend. The ATIR vide order dated December 07, 2016 set-aside with the direction that the ACIR should examine the issue in the light of FBR Circular letter dated September 10, 2002.

In respect of tax year 2006, management contends, based on views of its tax advisor, that amendment of assessment for such tax year by tax authorities is time barred. Accordingly, the Company has filed an appeal before the Appellate Tribunal Inland Revenue. The ATIR is of the view that the amendment of assessment is not time barred however, the ATIR deleted the addition of tax amortization of management right vide order dated February 10, 2017.

- 19.1.2** Order under section 122(1)/(5) dated December 30, 2017 for the tax year 2015 passed by the DCIR created demand of Rs.40 million against which the Company has filed an appeal before the CIR(A). The DCIR considered our request for rectification and passed order under section 221 dated February 27, 2017 as a result of the above order the demand reduced to Rs.36.904 million. The CIR(A) vide order dated May 6, 2019 partly considered our submissions put before him. The DCIR passed appeal effect order dated February 17, 2020 determined refund of Rs 30.66 million. The company submitted appeal before the CIR (Appeal) against the appeal effect order. The Company also submitted appeal before the ATIR against the order of the CIR(A).

The DCIR passed order under section 122(1)/(5) of the Income Tax Ordinance, 2001 dated June 23, 2014 and reduced the refund claim of Rs.8.499 million to Rs.3.102 million for the tax year 2012. The learned CIR (Appeal) vide order dated May 06, 2019 confirmed the ACIR's order and held that the appeal was not entertainable being barred by time limitation for the tax year 2012. The Company submitted appeal before the ATIR against the order of the CIR(A).



**19.2 Commitments in respect of:**

Use of name and advisory payment - a related party

**2021** **2020**

----- Rupees -----

**15,000,000** **15,000,000****20. REMUNERATION FROM FUNDS  
UNDER MANAGEMENT - NET****2021** **2020**

----- Rupees -----

**Open end Funds**

JS Value Fund	<b>11,292,335</b>	12,610,815
JS Growth Fund	<b>52,375,396</b>	41,940,205
Unit Trust of Pakistan	<b>24,557,309</b>	22,789,786
JS Income Fund	<b>24,689,180</b>	21,028,855
JS Islamic Fund	<b>10,792,322</b>	10,527,977
JS Fund of Funds	<b>145,866</b>	63,636
JS Islamic Hybrid Fund of Funds	<b>123,410</b>	1,441,129
JS Islamic Hybrid Fund of Funds - 2	-	22,795,413
JS Pension Savings Fund	<b>6,296,600</b>	5,576,329
JS Islamic Pension Savings Fund	<b>3,304,705</b>	3,076,461
JS Cash Fund	<b>18,051,790</b>	19,747,303
JS Islamic Income Fund	<b>6,224,308</b>	4,346,153
JS Islamic Dedicated Equity Fund	<b>2,823,731</b>	13,520,260
JS Large Cap Fund	<b>10,803,939</b>	9,513,124
JS Islamic Hybrid Fund of Funds - 3	<b>762,416</b>	4,013,375
JS Motion Picture Fund	<b>1,257,508</b>	2,245,303
JS Islamic Daily Dividend Fund	<b>1,454,507</b>	225,356
	<b>174,955,322</b>	195,461,479
	<b>174,955,322</b>	195,461,479
Less: Sindh sales tax	<b>(20,127,603)</b>	(22,486,719)
	<b>154,827,719</b>	172,974,760

**20.1** Under the provisions of the NBFC Regulations and the NBFC Rules, the management company of the Fund is entitled to an accrued remuneration at the maximum rate of management fee chargeable to Collective Investment Scheme within allowed expense ratio limit. An Asset Management Company shall be entitled to an accrued remuneration that has been verified by the trustee and is paid in arrears. During the year ended December 31, 2021 the Company has charged management fee at the rates ranging from 0.00% to 2.00% (2020: 0.00% to 2.00%).

**20.2** Total net asset value of the Funds under management (excluding discretionary client portfolios) as at December 31, 2021 amounts to Rs.23.686 (2020: Rs.24.002) billion.

21. COMMISSION FROM OPEN END FUNDS UNDER MANAGEMENT	Note	2021 ----- Rupees -----	2020
Unit Trust of Pakistan		14,752	27,175
JS Islamic Fund		89,058	65,380
JS Fund of Funds		48,511	444
JS Value Fund		35,800	9,651
JS Growth Fund		9,188	319,792
JS Islamic Income Fund		89,021	211,151
JS Income Fund		70,276	14,517
JS Pension Savings Fund		47,710	24,412
JS Islamic Pension Savings Fund		-	3,390
JS Cash Fund		41,373	695,156
JS Large Cap Fund		19,563	162,230
JS Islamic Hybrid Fund of Funds - 3		-	2,561,364
JS Islamic Hybrid Fund of Funds		-	1,476
	21.1	<u>465,252</u>	<u>4,096,138</u>

**21.1** This represents gross commission income earned by the Company on account of sale of units made on behalf of the funds under management.

22. DIVIDEND INCOME	2021 ----- Rupees -----	2020
<b>'At fair value through profit or loss - held-for-trading' - Funds under Management</b>		
JS Income Fund	4,714,357	-
JS Cash Fund	35,198	61,415
JS Islamic Hybrid Fund of Fund	2,161,415	-
JS Motion Picture Fund	-	30,000
JS Fund of Funds	-	3,002,848
JS Growth Fund	-	11,423,404
JS Value Fund	-	238,671
JS Islamic Daily Dividend Fund	1,288,569	888,079
	<u>8,199,539</u>	<u>15,644,418</u>

## 23. REMUNERATION AND SHARE OF PROFIT FROM MANAGEMENT OF DISCRETIONARY CLIENT PORTFOLIOS AND NON DISCRETIONARY CLIENT PORTFOLIO

This represents commission income and share of profit earned by the Company from management of discretionary portfolios and non-discretionary portfolio. Currently, the Company is managing Nine (2020: Eleven) discretionary and One (2020: One) non-discretionary portfolios. The total cost and total market value of the unsettled client portfolios as at December 31, 2021 was Rs.657.173 (2020: Rs.1,813.769) million and Rs.630.053 (2020: Rs.1,822.239) million respectively.

		2021	2020
	Note	----- Rupees -----	
<b>24. ADMINISTRATIVE EXPENSES</b>			
Salaries and benefits	24.2	<b>108,590,338</b>	104,750,962
Directors' fee		<b>800,000</b>	900,000
Staff retirement benefits	24.3	<b>6,641,948</b>	6,578,254
Staff bonus		<b>16,901,256</b>	17,000,000
Amortisation of intangible assets	6	<b>5,441,776</b>	4,977,922
Depreciation on property and equipments	5.1	<b>34,999,314</b>	36,130,796
Depreciation on right of use assets	5.2	<b>33,847,713</b>	34,231,728
Printing and stationery		<b>2,617,921</b>	2,346,084
Rent, rates, taxes and maintenance		<b>4,982,387</b>	4,206,157
Travelling, conveyance and vehicle maintenance		<b>14,144,096</b>	10,613,202
Share registrar / transfer agent remuneration		<b>885,004</b>	455,000
Postage and telephone		<b>1,907,847</b>	2,168,867
Legal and professional		<b>18,893,413</b>	16,430,427
Fees and subscription		<b>11,486,882</b>	9,197,029
IT services		<b>23,077,142</b>	18,200,815
Utilities		<b>7,969,414</b>	6,498,068
Office security		<b>1,097,158</b>	771,271
Insurance		<b>8,434,118</b>	7,713,598
Newspaper		<b>32,542</b>	49,386
Royalty Fees	24.4	<b>15,000,000</b>	15,000,000
Shariah advisory fee	24.5	<b>102,076</b>	73,774
Auditors' remuneration	24.6	<b>1,819,530</b>	1,912,680
Training and development		<b>1,000,683</b>	162,996
Miscellaneous expenses		<b>5,788,965</b>	3,282,626
Provision against other receivable from related parties	10.2	<b>296,353</b>	-
		<b>326,757,876</b>	303,651,642

	2021	2020
	----- Rupees -----	
<b>24.1</b> Number of employees at the end of the year	<b>90</b>	97
Average number of employees during the year	<b>97</b>	100

**24.2** Salaries and benefits include reimbursement amount from funds under management amounting to Rs. 5.820 million (2020 : 8.843) and charged @ 0.1% on certain funds.

**24.3** Based on un-audited financial statements of the Fund, the investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the Rules formulated for this purpose.

**24.4** This represents the "Use of Name" on account of use of "JS" as a part of Company's name and "Advisory" fees paid to Mr. Jahangir Siddiqui (associated person) under two separate agreements dated August 01, 2006. His current address is House no. D-185, Clifton, Karachi.

- 24.5** This represents shariah advisory payment being made for consultation for JS Islamic Pension Savings Fund, JS Islamic Fund, JS Islamic Income Fund, JS Islamic Hybrid Fund of Funds series, JS Islamic Daily Dividend Fund and JS Islamic Dedicated Equity Fund.

	2021	2020
	----- Rupees -----	
<b>24.6 Auditors' remuneration</b>		
Annual audit fee	1,100,000	1,100,000
Audit fee for consolidation	-	75,000
Fee for review of the statement of compliance on Code of Corporate Governance	75,000	75,000
Fee for review of half yearly financial statements	290,000	290,000
	<u>1,465,000</u>	<u>1,540,000</u>
Out of pocket expenses	219,750	231,000
Sindh sales tax	134,780	141,680
	<u>1,819,530</u>	<u>1,912,680</u>

	2021	2020
	----- Rupees -----	

## 25. SELLING AND DISTRIBUTION EXPENSES

	Note	2021	2020
		----- Rupees -----	
Salaries and benefits	25.1	42,863,908	45,697,220
Staff retirement benefits	24.3	2,065,180	2,196,533
Utilities		2,255,393	1,967,977
Postage and telephone		575,401	677,790
Office security		464,691	763,554
Printing and stationery		176,746	97,322
Rent, rates, taxes and maintenance		8,915,740	7,931,715
IT services		4,064,576	4,086,720
Travelling, conveyance and vehicle maintenance		234,903	1,897,354
Fees and commission		5,159,830	15,482,275
Advertisement, selling and marketing expense		8,539,376	3,760,373
Miscellaneous expenses		729,314	480,294
		<u>76,045,058</u>	<u>85,039,126</u>
Less: Reimbursement of selling and distribution expenses	25.2	<u>(70,974,276)</u>	<u>(52,233,344)</u>
		<u>5,070,782</u>	<u>32,805,782</u>

- 25.1** Salaries and benefits include reimbursement amount from funds under management amounting to Rs. 1.870 million (2020 : 3.301) and charged @ 0.1% on certain funds.

- 25.2** As per circular 11/2019 dated July 05, 2019 of SECP, that superseded Circular No. 40 of 2016, Circular No. 05, of 2017 and Circular No. 05, of 2018. In this circular, selling and marketing expenses are allowed to be charged on all categories of open ended mutual funds managed by the Asset Management Company except for Fund of Funds. These expenses are counted in the Total Expense Ratio Cap of the Fund.

	Note	2021 ----- Rupees -----	2020 -----
<b>26. FINANCIAL CHARGES</b>			
Bank charges		256,101	113,106
Interest expenses on Term Finance (Wages & Salaries)		1,661,692	918,026
Financial charges for utilization of running finance facility from JSBL		2,207,695	-
Financial charges against lease liability		30,274,605	33,970,978
		<u>34,400,093</u>	<u>35,002,110</u>

## 27. OTHER INCOME

### Income from financial assets

Mark-up on loans to employees		38,338	83,248
Liabilities no longer required written back		5,812,802	6,545,975

### Income from non-financial assets

Gain on disposal of property and equipment	5.1.1	16,309,097	8,191,921
Gain on termination of lease		2,266,125	-
Others		217,468	-
		<u>24,643,830</u>	<u>14,821,145</u>

## 28. TAXATION - Net

Current		11,340,313	16,808,691
		<u>11,340,313</u>	<u>16,808,691</u>

**28.1** The Company computes tax provisions based on the generally accepted interpretations of the tax laws to ensure that sufficient provision for the purpose of taxation is available. Accordingly, the management of the Company has assessed the sufficiency of the tax provisions and believes that the tax provisions are sufficient to reflect the actual tax liability of the Company.

**28.2** The income tax assessments of the Company have been finalized up to and including the assessment year 2002-2003 (financial year ended June 30, 2002). The income tax assessments for the tax years 2003 to 2005, 2007, 2008 and 2010 to 2021 have been filed under self assessment scheme and are deemed to be finalized under section 120 of the Income Tax Ordinance, 2001. The details of tax years 2006 and 2009 have been described in note 18.1 above.

**28.3** The numerical reconciliation is not provided as the tax charge of the Company mainly comprises of minimum tax and tax at reduced rates under the relevant sections of Income Tax Ordinance, 2001.

## 29. LOSS PER SHARE - Basic and diluted

Loss for the year after taxation	<b>(300,075,584)</b>	(39,801,000)
	----- Number of shares -----	
Weighted average number of ordinary shares outstanding during the year	<b>61,774,256</b>	61,774,256
Loss per share (Rupees)	<b>(4.86)</b>	(0.64)

**29.1** Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at December 31, 2021 and December 31, 2020 which would have any effect on the earnings per share if the option to convert is exercised.

## 30. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements in respect of the remuneration, including benefits to the Chief Executive Officer, directors and executives of the Company are as follows:

	Chief Executive Officer		Executives	
	2021	2020	2021	2020
	----- Rupees -----			
Managerial remuneration	<b>20,090,908</b>	18,545,460	<b>68,397,433</b>	77,544,756
Bonus paid	-	4,000,000	<b>8,750,562</b>	9,152,966
Retirement benefits	<b>1,472,663</b>	1,359,384	<b>4,484,794</b>	4,716,613
Medical allowance	<b>2,009,092</b>	1,854,540	<b>6,839,731</b>	7,754,452
Other benefits & reimbursements	<b>508,701</b>	29,256	<b>5,268,177</b>	5,051,610
	<b>24,081,364</b>	25,788,640	<b>93,740,697</b>	104,220,398
Number of persons	<b>2</b>	1	<b>23</b>	23

**30.1** These represent executives as prescribed under the Companies Act, 2017.

**30.2** During the period, Ms. Iffat Zehra Mankani appointed as Chief Executive Officer in place of outgoing CEO Mr. Hasnain Raza Nensey.

**30.3** The Chief Executive Officer of the Company is provided with free use of company owned and maintained vehicle during the year.

**30.4** The Company may provide performance bonus to the Chief Executive Officer and executives. The individual entitlements are being reported on paid basis.

**30.5** In addition, meeting fees amounting to Rs.800,000 (2020: Rs.900,000) was paid to two non-executive directors for meetings attended during the year (2020: three non-executive directors). The non-executive directors are not entitled to any remuneration except meeting fees.

**30.6** The number of persons does not include those who resigned during the year but remuneration paid to them is included in the above amounts.

### 31. TRANSACTIONS AND OUTSTANDING BALANCES WITH RELATED PARTIES

Related parties comprise of JS Bank Limited (parent company), Jahangir Siddiqui & Co. Ltd. (ultimate parent company), JS Global Capital Limited, funds under management and other companies with common directorship, staff provident fund and key management employees. Contributions to the accounts in respect of staff retirement benefits are made in accordance with terms of the contribution plans. Remuneration of the key management personnel is in accordance with the terms of their employment. Other transactions are carried out as per the agreed terms. Transactions and balances with related parties are summarised below:

	2021	2020
	----- Rupees -----	
<b>31.1 Transactions during the year</b>		
<b>31.1.1 Funds under management</b>		
Remuneration - net of taxes	<b>154,827,719</b>	172,974,760
Commission received	<b>465,252</b>	4,096,138
Investments made	<b>1,972,704,001</b>	268,919,192
Investments disposed off / matured	<b>2,079,330,844</b>	546,496,451
Expenses incurred on behalf of funds	<b>84,408,925</b>	67,871,605
Expenses reimbured from funds	<b>84,781,228</b>	67,860,813
Dividend received	<b>8,199,539</b>	15,644,418
	2021	2020
	----- Rupees -----	
<b>31.1.2 Jahangir Siddiqui &amp; Co. Ltd. (JSCL)</b>		
<b>Basis of relationship - Ultimate parent company</b>		
<b>Percentage of shareholding - JSCL holds 75.02% shares of JS Bank Limited (JSBL)</b>		
Rent Paid	<b>375,000</b>	225,000
Reimbursement of annual subscription fee paid by JSCL to World Economic Forum on behalf of the Company	<b>8,319,375</b>	2,397,000

2021                      2020  
----- Rupees -----

**31.1.3 JS Bank Limited (JSBL)**

**Basis of relationship - Parent company**

**Percentage of shareholding - JSBL holds 84.56% shares of the Company**

Rent paid	<b>2,679,488</b>	2,676,634
Management fee sharing on distribution of mutual funds	<b>2,858,326</b>	9,667,565
Return on bank deposits	<b>1,835,887</b>	3,224,053
Running Finance Facility Obtained	<b>340,844,067</b>	-
Running Finance Facility Settled	<b>340,844,067</b>	-
Amount paid against Refinance Scheme for Salaries and Wages	<b>40,092,980</b>	-
Amount received against Refinance Scheme for Salaries and Wages	-	80,185,959
Bank charges and Interest on Running Finance & Refinance Scheme	<b>3,869,386</b>	-

**31.1.4 Associated company - Jahangir Siddiqui & Sons Limited (JSSONS)**

**Basis of relationship - Common directorship of the Group**

Reimbursements of expenses by the company	<b>558,385</b>	101,780
---	----------------	---------

**31.1.5 Associated company - JS Private Equity (JSPE)**

**Basis of relationship - Common Substantial Shareholder**

Reimbursements of expenses by the company	-	720,197
---	---	---------

**31.1.6 Associated company - Fakhr-e-Imdad Foundation (FIF)**

**Basis of relationship - common directorship of the Company**

Reimbursements of expenses by the company	<b>720,000</b>	-
---	----------------	---

**31.1.7 Associated company - EFU General Insurance**

**Percentage of shareholding - JSCL holds 21.10%**

Insurance premium paid	<b>3,419,409</b>	3,473,278
------------------------	------------------	-----------



	2021	2020
	----- Rupees -----	
<b>31.1.8 Associated company - EFU Life Assurance</b>		
<b>Percentage of shareholding - JSCL holds 20.05%</b>		
Insurance premium paid	<b>1,979,292</b>	1,728,866
<b>31.1.9 Associated company - JS Investments Limited Staff Provident Fund (the Fund)</b>		
<b>Basis of relationship - Employee benefit plan</b>		
Expenses paid on behalf of the company	<b>377,435</b>	299,797
Reimbursements of expenses by the company	<b>63,980</b>	299,797
Provident fund contributions made	<b>8,707,128</b>	8,774,787
<b>31.1.10 Associated company - JS Global Capital Limited (JSGCL)</b>		
<b>Basis of relationship - JSBL holds 92.90% shares of JSGCL</b>		
Rent paid	<b>11,264,022</b>	-
Expenses paid on behalf of the company	<b>759,997</b>	628,235
Reimbursements of expenses by the company	<b>1,015,815</b>	782,553
<b>31.1.11 Common Substantial Shareholder - JS Lands (Private) Limited</b>		
<b>Basis of Relationship - Common Substantial Shareholder</b>		
Rent paid	<b>28,850,100</b>	37,940,000
Miscellaneous expense paid	<b>16,566,212</b>	15,171,246
<b>31.1.12 Common Directorship - Future Trust</b>		
<b>Basis of relationship - common directorship of the Company</b>		
Amount paid under corporate social activity	<b>10,000</b>	-
<b>31.1.13 Common Directorship - JS ABAMCO Commodities Limited</b>		
<b>Basis of relationship - wholly owned subsidiary</b>		
(i) Merger with JS Investments Limited	<b>37,500,000</b>	-
Based on approvals received during the period JS ABAMCO Commodities Limited was merged into JS Investments Limited on March 31, 2021.		
(ii) Transfer upon merger of accumulated profit	<b>29,536,455</b>	-

2021                      2020  
----- Rupees -----

### 31.1.14 Transactions made with key personnel

Remuneration	<b>100,467,195</b>	112,120,461
Directors' fee	<b>800,000</b>	900,000
Disbursements of personal loans and advances	<b>3,111,000</b>	3,348,000
Repayments of loans and advances	<b>4,170,030</b>	2,994,084
Royalty and Advisory for the period	<b>15,000,000</b>	15,000,000

## 31.2 Balance outstanding with related parties

### 31.2.1 Funds under management

#### Basis of relationship - Funds managed by the Company

Receivable from funds under management	<b>126,934,470</b>	131,242,385
Payable to funds under management	<b>2,317,092</b>	337,601

### 31.2.2 Jahangir Siddiqui & Co. Ltd. (JSCL)

#### Basis of relationship - ultimate parent company

#### Percentage of shareholding - JSCL holds 75.02% shares of JS Bank Limited (JSBL)

Other Payables	<b>75,000</b>	75,000
----------------	---------------	--------

### 31.2.3 JS Bank Limited (JSBL)

#### Basis of Relationship - parent company

#### Percentage of Shareholding - JSBL holds 84.56% shares of JSIL

Bank balance	<b>23,694,615</b>	6,563,839
Other receivable	<b>1,465,064</b>	1,465,064
Rent payable	-	33,942
Rent receivable	<b>2,409,149</b>	2,409,149
Other payable	<b>41,156,888</b>	80,925,089

	2021	2020
	----- Rupees -----	
<b>31.2.4 Associated company - Jahangir Siddiqui &amp; Sons Limited (JSSONS)</b>		
<b>Basis of relationship - Common directorship of the Group</b>		
Other receivable	-	558,385
Rent receivable	2,486,352	2,486,352
<b>31.2.5 Jahangir Siddiqui Securities Services Ltd</b>		
<b>Other Related Party</b>		
Other Receivable	29,887	29,887
Rent receivable	94,429	94,429
<b>31.2.6 Associated company - JS Private Equity (JSPE)</b>		
<b>Basis of relationship - Common Substantial Shareholder</b>		
Other receivable	1,625,826	1,625,826
Rent receivable	930,938	930,938
<b>31.2.7 Associated Company - Mahvash &amp; Jahangir Siddiqui Foundation (MJSF)</b>		
<b>Basis of relationship - Common directorship of the Group</b>		
Other receivable	130,554	177,106
Rent receivable	379,929	379,929
<b>31.2.8 Associated company - Fakhr-e-Imdad Foundation (FIF)</b>		
<b>Basis of relationship - Common directorship of the Group</b>		
Other receivable	297,169	1,017,169
<b>31.2.9 Associated company - JS Global Capital Limited (JSGCL)</b>		
<b>Basis of relationship - JSBL holds 92.90% shares of JSGCL</b>		
Other receivable	526,856	782,674
Rent receivable	181,957	181,957
Rent payable	-	1,272,831

	2021	2020
	----- Rupees -----	
<b>31.2.10 JS Investments Staff Provident Fund - (the Fund)</b>		
<b>Post-Employment benefit fund</b>		
Other Receivable	238,955	-
<b>31.2.11 Common Substantial Shareholder - JS Lands (Private) Limited</b>		
<b>Basis of Relationship - Common Substantial Shareholder</b>		
Other payable	2,792,020	1,233,285
Rent payable	19,630	-
<b>31.2.12 Outstanding from key management personnel</b>		
Receivable against loans and advances	700,000	1,758,994
Directors' fee payable	100,000	-

**31.2.13 Key management personnel and directors hold 5,006 shares in the Company**

- 31.3** Other balances outstanding with related parties as at the year end have been disclosed in the relevant balance sheet notes.
- 31.4** Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. Management considers all members of the management team, including the Chief Executive Officer and Directors to be key management personnel.
- 31.5** There are no transactions with key management personnel other than those under their terms of employment.
- 31.6** Details of the remuneration relating to Chief Executive officer and directors are disclosed in note 29 to the financial statements.
- 31.7** Running finance facility was obtained from JS Bank Limited of Rs. 100 million @ one month KIBOR + 2% markup on quarterly basis.

## **32. OPERATING SEGMENTS**

The Company functions as a single operating segment. Income derived from the management fees of open end collective investment schemes and pension funds and that derived from the management of the discretionary portfolios account for 98% and 2% (2020: 99% and 1%) respectively of the total income earned during the year.

### 33. FINANCIAL RISK MANAGEMENT

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate and other price risk), credit risk and liquidity risk. Risks of the Company are being managed by the Company's management in accordance with the approved policies of the investment committee which provide broad guidelines for management of the above mentioned risks. The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's financial assets primarily comprise of balance with banks, balances due from funds under management - related parties, loans and advances - considered good, other financial assets - investments classified as: 'At fair value through profit or loss - held-for-trading' - units of mutual funds - related parties. The Company also has profit receivable, deposits and other receivables. The Company's principal financial liabilities include accrued and other liabilities.

#### 33.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices.

The Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board and regulations laid down by the SECP, the NBFC Regulations and the NBFC Rules.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

##### 33.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company, at present is not exposed to currency risk as all transactions are carried out in Pak Rupees.

##### 33.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

##### a) Sensitivity analysis for variable rate instruments

Presently, the Company does not hold any variable profit based investment except balances with bank in deposit account and investment in term finance certificate exposing the Company to cash flow profit rate risk. In case of 100 basis points increase / decrease as on December 31, 2021, with all other variables held constant, the equity of the Company and net profit for the year would have been higher / lower by Rs.1.504 (2020: Rs.1.331) million.

## b) Sensitivity analysis for fixed rate instruments

As at December 31, 2021, the Company does not hold any fixed rate instruments, therefore the Company is not exposed to fair value profit rate risk.

Yield / interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

		2021				
		Exposed to yield / interest rate risk			Not exposed to yield / interest risk	Total
Yield / effective interest rate (%)	Upto three months	More than three months and upto one year	More than one year			
	----- (Rupees) -----					
<b>On-balance sheet financial instruments</b>						
<b>Financial assets</b>						
Long-term loans - considered good	3.58% to 8.17%	-	-	76,277	-	76,277
Balances due from funds under management - related parties		-	-	-	105,157,354	105,157,354
Loans and advances - considered good	3.58% to 8.17%	-	343,636	-	-	343,636
Trade deposits and other receivables		-	-	-	44,085,348	44,085,348
Other financial assets - investments classified as:						
'At fair value through profit or loss						
- held-for-trading'	6M KIBOR+1.50%	-	-	125,000,000	1,227,102,015	1,352,102,015
'Available-for-sale'		-	-	-	-	-
Cash and bank balances	5.50% to 8.75%	25,475,223	-	-	670,057	26,145,280
		25,475,223	343,636	125,076,277	1,377,014,774	1,527,909,910
<b>Financial liabilities</b>						
Accrued and other liabilities		-	-	-	36,009,366	36,009,366
Liability against asset subject to finance lease		3,781,754	29,838,030	235,185,675	-	268,805,459
		3,781,754	29,838,030	235,185,675	36,009,366	304,814,825
<b>On-balance sheet gap</b>		21,693,469	(29,494,394)	(110,109,398)	1,341,005,408	1,223,095,085

2020						
Yield / effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest risk	Total	
	Upto three months	More than three months and upto one year	More than one year			
----- (Rupees) -----						
On-balance sheet financial instruments						
Financial assets						
Long-term loans - considered good	5.15% to 13.74%	-	-	481,128	-	481,128
Balances due from funds under management - related parties		-	-	-	109,501,155	109,501,155
Loans and advances - considered good	5.15% to 13.74%	-	696,502	-	-	696,502
Trade deposits and other receivables		-	-	-	47,917,920	47,917,920
Other financial assets - investments classified as:						
'At fair value through profit or loss						
- held-for-trading'	6M KIBOR+1.50%	-	-	125,000,000	1,460,292,142	1,585,292,142
'Available-for-sale'		-	-	-	-	-
Cash and bank balances	8.00% - 13.70%	8,189,536	-	-	1,243,898	9,433,434
		8,189,536	696,502	125,481,128	1,618,955,114	1,753,322,281
Financial liabilities						
Accrued and other liabilities		-	-	-	35,201,046	35,201,046
Liability against asset subject to finance lease		3,781,754	18,192,363	260,150,050	-	282,124,167
		3,781,754	18,192,363	260,150,050	35,201,046	317,325,213
On-balance sheet gap		4,407,782	(17,495,861)	(134,668,922)	1,583,754,069	1,435,997,068

### 33.1.3 Other price risk

Other price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting all instruments traded in the market. The Company manages its exposure to price risk by investing in Companies as per the trust deed.

In case of a 5% increase / decrease in rates determined by MUFAP as on December 31, 2021, the equity of the Company would increase / decrease by Rs.61.355 (2020: Rs.73.014) million, as a result of reduction / increase in unrealized gains / (losses).

### 33.2 Credit risk

Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or counter parties to fulfil their obligations. There is a possibility of default of issuers of the instrument, financial institutions or counter parties.



## Management of credit risk

The Company's policy is to enter into financial contracts with reputable counterparties in accordance with the internal risk management policies and investment guidelines approved by the Board of Directors. The Investment Committee closely monitors the creditworthiness of the Company's counterparties (e.g. issuer of the instruments, brokers, banks, etc.) by reviewing their credit ratings, financial statements and press releases on a regular basis. In addition the credit risk is also minimized due to the fact that the Company only invests in liquid equity and money market based collective investment schemes (CIS).

## Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	2021	2020
	----- Rupees -----	
Long-term loans - considered good	76,277	481,128
Balances due from funds under management - related parties	105,157,354	109,501,155
Loans and advances - considered good	343,636	696,502
Trade deposits and other receivables	44,085,348	47,917,920
Other financial assets - investments	1,352,102,015	1,585,292,142
Cash and bank balances	26,145,280	9,433,434
	<u>1,527,909,910</u>	<u>1,753,322,281</u>

## Past due or impaired financial assets

None of the financial assets are considered to be past due or impaired as at December 31, 2021.

## Concentration of the credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure.

80.29% (2020: 83.29%) of the financial assets aggregating to Rs.1,227.102 (2020: Rs.1,460.292) million are invested in the Funds managed by the Company. The Company believes that underlying assets held by these funds are sufficiently diverse and therefore do not expose the Company to any major concentration risk.

Details of the credit ratings of the bank balances are as follows:

	2021	2020
	Bank balances	
	----- % -----	
AAA	0.3%	11.9%
AA+	0.34%	0.27%
AA-	99.35%	87.83%

### 33.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to the dynamic nature of the business.

#### Maturity analysis for financial liabilities

The table shown below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

		2021				
		Carrying value	Upto one month	More than one month upto three months	More than three months and upto one year	More than one year
		----- (Rupees) -----				
<b>Liabilities</b>						
Accrued and other liabilities		36,009,366	-	36,009,366	-	-
Liabilities against assets subject to finance lease		268,805,459	1,269,535	2,512,219	29,838,030	235,185,675
		304,814,825	1,269,535	38,521,585	29,838,030	235,185,675
		2020				
		Carrying value	Upto one month	More than one month upto three months	More than three months and upto one year	More than one year
		----- (Rupees) -----				
<b>Liabilities</b>						
Accrued and other liabilities		35,201,046	11,166,395	24,034,651	-	-
Liability against assets subject to finance lease		282,124,167	1,269,535	2,512,219	18,192,363	260,150,050
		317,325,213	12,435,930	26,546,870	18,192,363	260,150,050

### 33.4 Financial instruments by category

	2021			
	Amortized Cost	At fair value through profit and loss	Fair value through other comprehensive income	Total
	----- (Rupees) -----			
<b>Assets</b>				
Long-term loans - considered good	76,277	-	-	76,277
Balances due from funds under management - related parties	105,157,354	-	-	105,157,354
Loans and advances - considered good	343,636	-	-	343,636
Trade deposits and other receivables	44,085,348	-	-	44,085,348
Other financial assets - investments	-	1,352,102,015	-	1,352,102,015
Cash and bank balances	670,057	-	-	670,057
	<b>150,332,672</b>	<b>1,352,102,015</b>	<b>-</b>	<b>1,502,434,687</b>

	2021	
	Amortised cost	Total
	----- (Rupees) -----	
<b>Liabilities</b>		
Accrued and other liabilities	36,009,366	36,009,366
Liability against asset subject to finance lease	268,805,459	268,805,459
	<b>304,814,825</b>	<b>304,814,825</b>

	2020			
	Amortized Cost	At fair value through profit and loss' - held-for-trading	Fair value through other comprehensive income	Total
	----- (Rupees) -----			
<b>Assets</b>				
Long-term loans - considered good	481,128	-	-	481,128
Balances due from funds under management - related parties	109,501,155	-	-	109,501,155
Loans and advances - considered good	696,502	-	-	696,502
Trade deposits and other receivables	47,917,920	-	-	47,917,920
Other financial assets - investments	-	1,585,292,142	-	1,585,292,142
Cash and bank balances	1,243,898	-	-	1,243,898
	<b>159,840,603</b>	<b>1,585,292,142</b>	<b>-</b>	<b>1,745,132,744</b>

	2020	
	Other financial liabilities	Total
	----- (Rupees) -----	
<b>Liabilities</b>		
Accrued and other liabilities	35,201,046	35,201,046
Liability against asset subject to finance lease	282,124,167	282,124,167
	<u>317,325,213</u>	<u>317,325,213</u>

### 33.5 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour. Operational risks arise from all of the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibility;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

### 34. FAIR VALUE OF FINANCIAL AND OTHER ASSETS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:** Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table shown below analyses the financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

2021				
	Level 1	Level 2	Level 3	Total
	(Rupees)			
<b>Financial assets at fair value through profit or loss</b>				
Units of mutual funds - related parties	-	1,227,102,015	-	1,227,102,015
Term finance certificate	-	-	125,000,000	125,000,000
	-	1,227,102,015	125,000,000	1,352,102,015
2020				
	Level 1	Level 2	Level 3	Total
	(Rupees)			
<b>Financial assets classified as 'at fair value through profit or loss - held-for-trading'</b>				
Units of mutual funds - related parties	-	1,460,292,142	-	1,460,292,142
Term finance certificate	-	-	125,000,000	125,000,000
	-	1,460,292,142	125,000,000	1,585,292,142

### 34.1 Valuation techniques used in determination of fair values within level 2:

**34.1.1** Fair values of investment in mutual funds are measured on the basis of closing net asset value as announced by the respective Asset Management Company.

**34.2** During the year ended December 31, 2021, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

### 35. CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximise shareholder value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

### 36. GENERAL

**36.1** These financial statements were authorised for issue on February 23, 2022 by the Board of Directors of the Company.

**36.2** In compliance of the NBFC Rules read with SRO 1002(1)/2015 dated October 15, 2015 of SECP, the management would like to report that the Company has sufficient insurance coverage from an insurance company, rated AA by a rating agency registered with the Commission, against financial losses that may be caused as a result of gross negligence of its employees.

**36.3** Corresponding figures have been reclassified / re-arranged wherever necessary to facilitate comparison in the presentation in the current year. However, there are no material reclassification / re-arrangement to report.

**36.4** The figures in the financial statements have been rounded off to the nearest rupees.

---

Chief Executive Officer

---

Chief Financial Officer

---

Director

## PATTERN OF SHAREHOLDING

AS AT DECEMBER 31, 2021

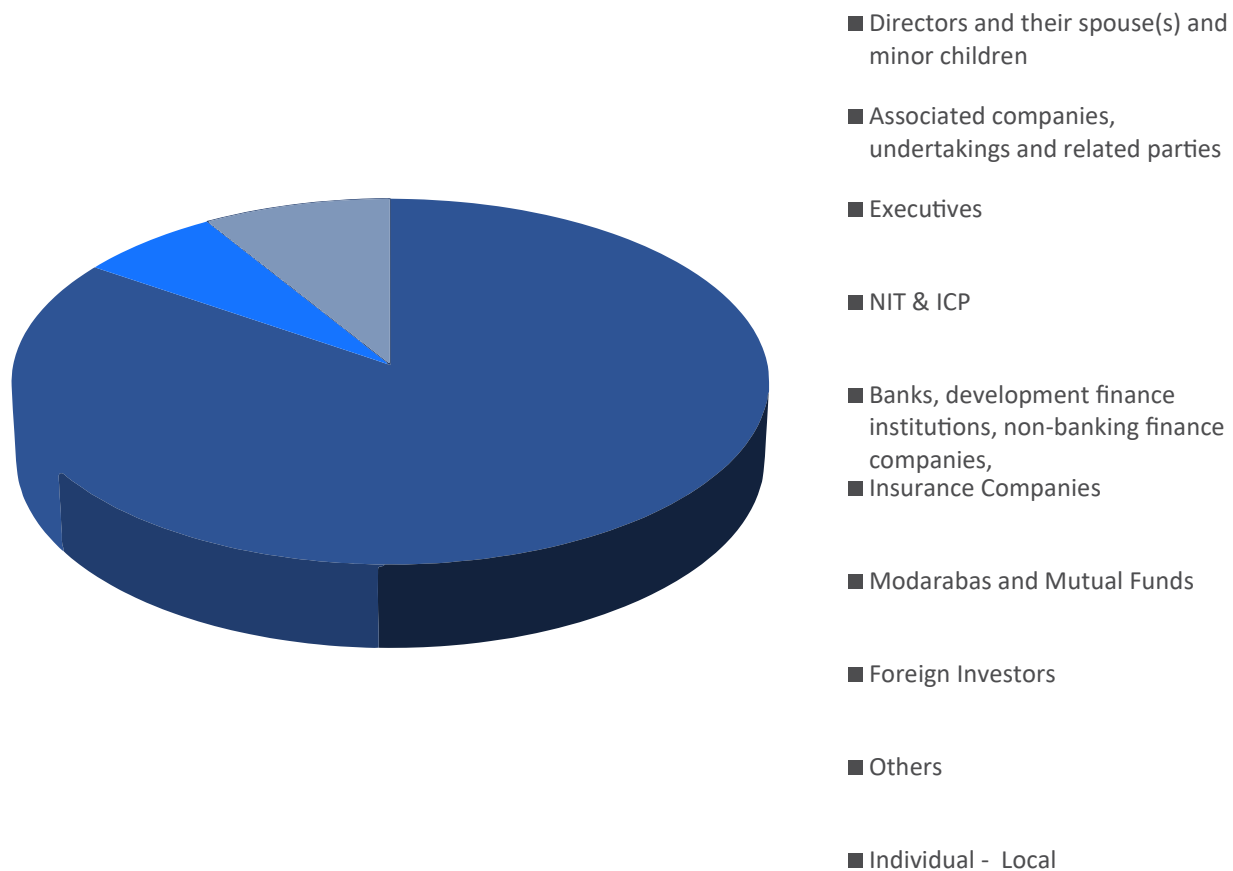
# Of Shareholders	Shareholdings'Slab	Total Shares Held
499	1 to 100	7,763
513	101 to 500	226,854
180	501 to 1000	170,438
221	1001 to 5000	577,978
57	5001 to 10000	451,241
16	10001 to 15000	213,000
13	15001 to 20000	246,755
5	20001 to 25000	117,100
5	25001 to 30000	141,000
6	30001 to 35000	195,000
1	35001 to 40000	40,000
3	45001 to 50000	150,000
1	60001 to 65000	62,000
2	65001 to 70000	136,500
3	70001 to 75000	219,822
1	80001 to 85000	82,500
2	95001 to 100000	199,168
1	110001 to 115000	113,100
2	115001 to 120000	234,500
1	125001 to 130000	130,000
2	150001 to 155000	306,559
1	170001 to 175000	171,500
1	200001 to 205000	202,000
1	245001 to 250000	250,000
1	295001 to 300000	300,000
1	325001 to 330000	330,000
1	430001 to 435000	433,500
1	475001 to 480000	480,000
1	3345001 to 3350000	3,349,000
1	52235001 to 52240000	52,236,978
<b>1,543</b>		<b>61,774,256</b>



Particulars	Shareholders	Shares Held	Per %
<b>Directors and their spouse(s) and minor children</b>			
MR. SULEMAN LALANI	1	2	0.00
MS. IFFAT ZEHRA MANKANI	1	500	0.00
MR. HASAN SHAHID	1	1,000	0.00
MR. IMRAN HALEEM SHAIKH	2	501	0.00
MR. ASIF REZA SANA	1	1	0.00
MR. ZAHID ULLAH KHAN	1	500	0.00
MR. MIRZA MUHAMMAD SADEED HASSAN BARLAS	1	500	0.00
MS. AISHA FARIEL SALAHUDDIN	1	500	0.00
<b>Associated companies, undertakings and related parties</b>			
JS BANK LIMITED.	1	52,236,978	84.56
JAHANGIR SIDDIQUI & SONS LIMITED	1	5	0.00
<b>Executives</b>	4	1,502	0.00
<b>NIT &amp; ICP</b>	-	-	-
<b>Banks, development finance institutions, non-banking finance companies,</b>	1	19	0.00
<b>Insurance Companies</b>	1	5,215	0.01
<b>Modarabas and Mutual Funds</b>	2	3,782,500	6.12
<b>General Public</b>			
a. Local	1497	5,440,489	8.81
b. Foreign	-	-	-
<b>Foreign Companies</b>	-	-	-
<b>Others</b>	27	304,044	0.49
<b>Totals</b>	<b>1,543</b>	<b>61,774,256</b>	<b>100</b>

Share holders holding 10% or more		Shares Held	Percentage
JS BANK LIMITED.	1	52,236,978	84.56

Share holders holding 5% or more		Shares Held	Percentage
J S BANK LIMITED.	1	52,236,978	84.56
CDC - TRUSTEE AKD OPPORTUNITY FUND	1	3,349,000	5.42



## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 27<sup>th</sup> Annual General Meeting of the members of JS Investments Limited, (the "Company") will be held at 10:30 a.m. on April 11, 2022 through Zoom Video Conference to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2021, together with the Directors' and Auditors' reports thereon and Chairman's Review Report.
2. To re-appoint Auditors of the Company and fix their remuneration. The members are hereby notified that the Audit Committee and the Board of Directors have recommended the re-appointment of retiring auditors, Messrs KPMG Taseer Hadi & Co., Chartered Accountants for ensuing year, who being eligible, offer themselves for re-appointment.

### Special Businesses:

3. To ratify and approve balances and the transactions carried out by the Company and funds under its management in the ordinary course of business on arm's length basis with JS Bank Limited (Related Party) as at and during the financial year ended December 31, 2021 under the authority of the resolution passed by the members in the last Annual General Meeting held on April 09, 2021.
4. To authorize the Chief Executive Officer of the Company to approve all transactions carried out or to be carried out with Related Parties in the ordinary course of business on arm's length basis till next Annual General Meeting.

Attached to this Notice is a statement of material facts in relation to the aforesaid special business, as required under Section 134(3) of the Companies Act, 2017. The said statement also contains the precise text of the resolutions to be passed in this regard. The notice of meeting as well as statement has also been placed on the Company's website: ([www.jsil.com](http://www.jsil.com)).

By order of the Board

Karachi: March 21, 2022

---

**Muhammad Khawar Iqbal**  
Company Secretary

## CORONA VIRUS CONTINGENCY PLANNING FOR AGM

The Securities & Exchange Commission of Pakistan (SECP) through its Circular No. 6 of 2021 dated March 3, 2021 read with recent letter bearing reference No.SMD/SE/2(20)/2021/117 dated December 15, 2021 issued by the Commission regarding clarification on the circulars issued on Covid-19 contingency planning for General Meetings. In view of these it is permitted to the Companies which are facing difficulties in holding general meeting physically, to opt to hold such meeting through electronic mode.

Considering the above referred regulatory permissibility, and in view of threat posed by the fifth wave of COVID-19, the highly contagious nature of the virus with new strong variant Omicron, the practical difficulties in maintaining social distancing in public gathering, and the number of Covid-19 cases, the Company intends to convene this AGM electronically through webinar in order to safeguard the health and wellbeing of its members, Officers and Directors.

In view of the above, please note that the Company has made proper arrangements for the shareholders who will be participating in the AGM proceedings through Zoom Link. For that purpose, the shareholders are requested to email the following information with subject "Registration for 27th AGM of JSIL" at email address AGM@jsil.com. Zoom link to join the AGM will be shared with only those shareholders from whom all required particulars are received at the given email address not less than 48 hours before the time of holding the AGM. The shareholders can also provide their comments and questions relating to agenda items of the AGM on email at AGM@jsil.com.

Sr.No.	Name	Folio/CDS Account Number	CNIC No.	Mobile Number	Email Address

The Company will follow the best practices and comply with the instructions of the Government and SECP to ensure protective measure are in place for well being of its shareholders.

### NOTES:

1. The Company, in accordance with Section 223(7) of the Companies Act 2017, has placed the Audited Financial Statements for the year ended December 31, 2021 along with Auditors' and Directors' Reports thereon and Chairman's Review Report on its website [www.jsil.com](http://www.jsil.com).
2. The share transfer books of the Company will remain closed from April 05, 2022 to April 11, 2022 (both days inclusive) for attending the Annual General Meeting. Physical transfers and deposit requests under Central Depository System received at the close of business on April 04, 2022 by the Independent Share Registrar of the Company, M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block "B", S.M.C.H.S, Main Shakra-e-Faisal, Karachi, will be treated as being in time for entitlement to attend the meeting.
3. A member entitled to attend and vote at the meeting may appoint another person as proxy to attend, speak and vote for him/ her. An instrument of proxy or power of attorney or other authority (if any) under which it is signed or a notarial certified copy of such power of attorney or such authority to be valid, be deposited with the registered office of the Company not later than 48 hours before the scheduled time of the meeting. The proxy form in English and Urdu Languages is attached with this report and has also been placed on Company's website.

4. Beneficial owners of the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies will have to follow the following guidelines as laid down by the Securities and Exchange Commission of Pakistan in Circular No. 1 of 2000:

**A. For Attending the Meeting**

- a. In case of Individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or original Passport along with Participant ID number and the account number at the time of attending the meeting.
- b. In case of corporate entity, the Board's resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

**B. For Appointing Proxies**

- a. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
  - b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
  - c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
  - d. The proxy shall produce his original CNIC or original passport at the time of the meeting.
  - e. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.
5. Shareholders are requested to immediately notify the Share Registrar of the change in their addresses, if any.
6. **Computerized National Identity Card ("CNIC") :** Shareholders are requested to provide immediately if not already provided, copy of their valid CNIC to the Company's Independent Share Registrar, M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block "B", S.M.C.H.S, Main Shahra-e-Faisal, Karachi. A legible scanned copy of the same can also be forwarded at CNIC@jsil.com along with folio number and updated address for correspondence.
7. **Payment of cash dividend through electronic mode:** The provisions of Section 242 of the Companies Act, 2017 provides that any cash dividend declared by a listed company must be paid through electronic mode directly into the bank account designated by the entitled shareholder. Accordingly, the shareholders of the Company are requested to provide electronic dividend mandate on E-Dividend Form available on the Company's website (www.jsil.com) enabling the Company to credit their future cash dividends, if any, directly to their designated bank accounts.

- 8. Electronic Transmission of Annual Financial Statement and Notices (Optional) :** In pursuance of the directions given by the Securities and Exchange Commission of Pakistan (SECP) under S.R.O 787 (I)/2014, the SECP has allowed companies to circulate annual Audited Financial Statements, along with the notice of Annual General Meeting (Notice) to its members through e-mail subject to compliance with the conditions outlined in the referred SRO of SECP.

The transmission of Annual Audited Financial Statements with Notice to members through e-mail shall be considered compliance with the relevant requirements of Sections 223 and 233 of the Companies Act 2017, subject to certain conditions, prescribed in the said notification.

For the convenience of its Shareholders, the Company has placed a Standard Request Form on the Company's website ([www.jsil.com](http://www.jsil.com)), so that the members may use it to communicate their e-mail address and consent for electronic transmission of Annual Audited Financial Statement and Notice thereon.

- 9.** SECP through its SRO 40(I)/2016, dated May 31, 2016 and Section 223 (6) has allowed companies to circulate the annual balance sheet, profit and loss account, Auditors' Report and Directors' Report etc. ("Annual Audited Accounts") to its members through digital recording devices such as, CD/DVD/USB at their registered addresses. In view of the above, the Company has sent its Annual Report, 2021 to its shareholders in the form of CD (Digital Disc). Any member requiring printed copy of Annual Report, 2021 may send a request using a Standard Request Form placed on Company's website.

**10. Unclaimed Dividend and Bonus Shares**

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical share, if any, are advised to contact our Share Registrar M/s CDC Share Registrar Services Limited, to collect/enquire about their unclaimed dividend or pending shares, if any.

In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend and shares outstanding for a period of 3 years or more from the date due and payable shall be deposited to the credit of Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

**11. E-Voting**

Members can exercise their right to poll subject to the meeting of requirement of Section 143-145 of the Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations, 2018.

## STATEMENT OF MATERIAL FACTS CONCERNING SPECIAL BUSINESS PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the Special Business proposed to be transacted at the Annual General Meeting.

Agenda Item No. 3 of the Notice – Ratification / Approval of Transactions carried out with related parties during the year ended December 31, 2021.

The Company and funds under its management carried out transactions as detailed in the below draft resolution with JS Bank Limited in the ordinary course of business on arm's length basis and under the authority of the special resolution of the members as approved by them during the last Annual General Meeting held on April 09, 2021. All such transactions and balances appearing on balance sheet date are presented before the Board of Directors for their review and consideration on recommendation of the Audit Committee on quarterly basis pursuant to Clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2019 and Regulation 5 of Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018.

However, since majority of the Company's Directors (namely Mr. Tahir Ali Sheikh, Mr. Imran Haleem Shaikh, Mirza M. Sadeed H. Barlas and Mr. Hasan Shahid) were considered interested in the transactions carried out with JS Bank Limited as mentioned in the below draft resolution, therefore, these transactions conducted by the Company and Funds under its management with JS Bank Limited during the calendar year ended December 31, 2021 are being placed before the shareholders for their consideration and approval. These transactions with related party are entered in ordinary course of business on arm's length basis, and have been duly cleared by the Audit Committee of JSIL.

The following resolution is proposed to be passed as Special Resolution with or without any modification:

**“Resolved** that following transactions carried out by the Company and Funds under its management in the ordinary course of business with JS Bank Limited during the financial year ended December 31, 2021 be and are hereby ratified, approved and confirmed.

Entity	Rent paid	Rent receivable	Bank balance with JS Bank Ltd.	Return on bank deposits	Management fee sharing on distribution of mutual funds	Amount payable under Refinancing Scheme for Salaries & Wages	Other receivable
JS Investments Limited	2,679,488	2,409,149	23,694,615	1,835,887	2,858,326	40,396,148	1,465,064



Fund / Entity	Bank balance/ TDR balance in JSBL	Mark up income	Mark up receivable	Unit Issuance/ Redemption
JS Income Fund	309,540,547	25,402,780	1,997,090	-
JS Islamic Income Fund	3,321,582	-	-	-
JS Fund of Funds	1,684,871	551,782	82,796	-
JS Cash Fund	334,998,454	495,024	144,867	950,000,000
JS Growth Fund	97,042,702	4,428,108	742,711	-
JS Pension Savings Fund - Equity sub fund	130,943	26,549	-	-
JS Large Cap. Fund	6,785,248	646,280	59,399	-
Unit Trust of Pakistan	3,686,260	1,203,198	187,945	-
JS Islamic Fund	602,722	-	-	-
JS Islamic Hybrid Fund of Funds Mutanasib	10,000	-	-	-

**Agenda Item No. 4 of the Notice – Authorization to the Chief Executive Officer for the approval of transactions carried out and to be carried out with JS Bank Limited (related party) till next Annual General Meeting.**

The Company and funds under its management shall continue to carry out transactions with JS Bank Limited in the ordinary course of business on arm's length basis till next Annual General Meeting. Such transactions shall be 'routine' in nature and shall not involve any material or special deals or arrangements.

As our majority of the Directors of JSIL are considered interested in these transactions, therefore, these transactions with JS Bank Limited (as a related party) have to be approved by the shareholders in terms of Section 208 of the Companies Act, 2017, Clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2019 and Regulation 5 of Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018.

In order to ensure smooth business operations, the shareholders may authorize the Chief Executive Officer to approve routine transactions to be carried out in the ordinary course of business on arm's length basis with related parties as mentioned in the following draft resolution (with or without modifications) till next Annual General Meeting. However, these transactions shall be placed before the shareholders in the next AGM for their approval/ratification. Such proposal has been cleared by the Audit Committee of JSIL.

**"Resolved** that the Chief Executive Officer of the Company be and is hereby authorized to approve transactions to be carried out with JS Bank Limited in the ordinary course of business on arm's length basis till next Annual General Meeting.

**Resolved further** that these transactions shall be placed before the shareholders in the next Annual General Meeting for ratification/approval."

**Interest of Directors:**

The majority of the Directors are employees of JSBL and are interested to the extent of their shareholding in the Company.

## اطلاع برائے سالانہ اجلاس عام

بذریعہ نوٹس ہذا اطلاع دی جاتی ہے کہ جے ایس انویسٹمنٹس لمیٹڈ کے ممبران کا 27 واں سالانہ اجلاس عام بروز پیر، 11 اپریل 2022ء صبح 10:30 بجے بذریعہ Zoom (Zoom) ویڈیو کانفرنس درج ذیل امور کی انجام دہی کے لیے منعقد ہوگا:

### غیر رسمی کاروائی

- 1- 31 دسمبر 2021 کو ختم ہونے والے سال کے لئے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے اور ڈائریکٹرز اور آڈیٹرز کی رپورٹ اور چیئرمین کی جائزہ رپورٹ کی وصولی، اس پر غور اور منظور کرنا۔
- 2- کمپنی کے آڈیٹرز کا تقرر اور ان کے معاوضے کا تعین کرنا۔ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے ریٹائر ہونے والے آڈیٹرز میسرز KPMG کا تاثر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آنے والے سال کے لئے جو دوبارہ تقرری کے لئے اہل ہیں ان کی دوبارہ تقرری کی تجویز پیش کی ہے۔

### خصوصی کاروائی

- 3- 09 اپریل 2021 کو منعقد ہونے والی پچھلی سالانہ اجلاس عام میں اراکین سے منظور کردہ قرارداد کے اختیار کے تحت 31 دسمبر 2021 کو ختم ہونے والے مالی سال کے دوران کمپنی کی JS بینک لمیٹڈ (متعلقہ فریق) کے ساتھ روزمرہ کاروبار میں ایک خاص حدود میں رہتے ہوئے کی جانے والی ٹرانزیکشنز اور اس کے زیر انتظام فنڈز کے ہیلنس اور ٹرانزیکشنز کی توثیق اور منظوری دینا۔
- 4- اگلے سالانہ اجلاس عام تک کے لئے کمپنی کے چیف ایگزیکٹو کو یہ اختیار حاصل ہو کہ وہ ایک خاص حدود میں رہتے ہوئے روزمرہ معاملات میں کی جانے والی تمام ٹرانزیکشنز جو کمپنی میں اور متعلقہ فریقین کے ساتھ کی جائیں کی منظوری دے۔

کمپنیز ایکٹ 2017 کے سیکشن (3) 134 کے تحت لازمی طور پر پیش کردہ خصوصی کاروبار کے سلسلے میں مادی حقائق پر مبنی گوشوارے اس نوٹس سے منسلک ہیں۔ مذکورہ اسٹیٹمنٹ میں اس ضمن میں منظوری کی جانے والی قراردادوں کا بھی متن موجود ہے۔ اجلاس کا نوٹس گوشواروں کے ساتھ ساتھ کمپنی کی ویب سائٹ (www.jsil.com) پر بھی موجود ہے۔

محکم بورڈ

محمد خاور اقبال

کمپنی سیکریٹری

کراچی: 21 مارچ 2022

### سالانہ اجلاس عام (AGM) کے لیے کورونا وائرس ہنگامی منصوبہ بندی

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے مورخہ 3 مارچ 2021ء کو سرکولر نمبر 6 جسے حالیہ خط نمبر 117/2021/SMD/SE/2 کے ساتھ پڑھا جائے کے تحت ایسی کمپنیز کو اجلاس عام بذریعہ الیکٹرانک موڈ منعقد کرنے کی اجازت دی ہے جنہیں عام طور پر اجلاس منعقد کرنے میں دشواری کا سامنا کرنا پڑ رہا ہے۔ مذکورہ بالا ریگولیٹری اجازت کو مد نظر رکھتے ہوئے، اور COVID-19 کی پانچویں لہر اور نئے مضبوط ویرینٹ Omricon کے ساتھ وائرس کی انتہائی متعدی نوعیت، عوامی اجتماع میں معاشرتی فاصلے کو برقرار رکھنے میں عملی مشکلات کے پیش نظر کمپنی اس سالانہ اجلاس کو ویبنار کے ذریعے کرنے کا ارادہ رکھتی ہے تاکہ ممبران، افسران اور ڈائریکٹران کی صحت اور بہبود کا تحفظ یقینی بنایا جاسکے۔

مذکورہ بالا کے پیش نظر، ازراہ کرم نوٹ کریں کہ کمپنی نے بذریعہ زوم لنک کے سالانہ اجلاس عام کی کاروائی میں حصہ لینے والے شیئر ہولڈرز کے لیے مناسب انتظامات کیے ہیں۔ اسی مقصد کے تحت، شیئر ہولڈرز سے گزارش ہے کہ مندرجہ ذیل معلومات بمعہ مضمون "رجسٹریشن برائے JSIL کا 27 واں سالانہ اجلاس عام" ای میل ایڈریس AGM@jsil.com پر ای میل کریں۔ سالانہ اجلاس عام میں شمولیت اختیار کرنے کے لیے زوم لنک انہی شیئر ہولڈرز کے ساتھ شیئر کیا جائے گا جن کی تمام مطلوبہ تفصیلات دیئے گئے ای میل ایڈریس پر سالانہ اجلاس عام کے انعقاد کے وقت سے 48 گھنٹے قبل موصول ہوں گی۔ شیئر ہولڈرز سالانہ اجلاس عام کے ایجنڈا آئٹم سے متعلق اپنی آراء اور سوالات AGM@jsil.com پر ای میل پر فراہم کر سکتے ہیں۔

سیریل نمبر	نام	فولیو/سی ڈی سی اکاؤنٹ نمبر	کمپیوٹرائزڈ قومی شناختی کارڈ	موبائل نمبر	ای میل ایڈریس

کمپنی بہترین طریقوں پر عمل کرے گی اور اپنے شیئر ہولڈرز کی خیر و عافیت کے لیے حکومت اور SECP کی ہدایات پر عمل پیرا ہو کر یقینی بنایا جائے کہ حفاظتی اقدام موجود ہوں۔

## نوٹس

- 1- کمپنی نے کمپنیز ایکٹ 2017 کے سیکشن (7) 223 کے مطابق 31 دسمبر 2021 کو ختم ہونے والے سال کے لیے آڈٹ شدہ مالیاتی گوشواروں اور ان پر آڈیٹرز اور ڈائریکٹرز کی رپورٹ اور چیئر مین کی جائزہ رپورٹ اپنی ویب سائٹ [www.jsil.com](http://www.jsil.com) پر فراہم کر دی ہے۔
- 2- کمپنی کے حصص کی منتقلی کی کتابیں 105 اپریل 2022 سے 11 اپریل 2022 (بشمول دونوں دن) میں سالانہ اجلاس عام میں شرکت کے لیے بند رہیں گے۔ سینٹرل ڈپازٹری سسٹم کے تحت فزیکل ٹرانسفرز اور ڈپازٹ کی درخواستیں جو کمپنی کے خود مختار شیئر رجسٹرار میسرز سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ، سی ڈی سی ہاؤس، 99-B، بلاک بی، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی، کو 104 اپریل 2022 تک بزنس کے اختتام سے قبل موصول ہوں گی وہ اجلاس میں شمولیت میں بروقت تصور کی جائیں گی۔
- 3- اجلاس میں شرکت اور ووٹ کا استحقاق رکھنے والے کسی بھی رکن کو یہ حق حاصل ہے کہ وہ اجلاس میں شرکت کرنے، بولنے اور ووٹ دینے کے لیے اپنی جگہ دوسرے شخص کو پر کسی مقرر کر سکتا ہے۔ پر کسی کی دستاویز یا پاور آف اٹارنی یا کوئی دیگر دستاویز (اگر کوئی ہو) جس کے تحت یہ حق دیا گیا ہو یا اس پاور آف اٹارنی کی تصدیق شدہ نقل کمپنی کے رجسٹرڈ آفس پر اجلاس کے مقررہ وقت سے 48 گھنٹے قبل جمع کروادی جائیں۔ انگریزی اور اردو زبان میں تیار کردہ پر کسی فارم اس رپورٹ کے ساتھ موجود ہے اور ساتھ ساتھ کمپنی کی ویب سائٹ پر بھی ڈالی جا چکی ہے۔
- 4- سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDC) بینیفیشل اونرز اور / یا ان کی پراکسیز کو سیکورٹیز ریٹینڈ اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے 2000 کے سرکیولر نمبر 1 درج ذیل وضع کردہ رہنما ہدایات پر عمل کرنا ہوگا:

## A- اجلاس میں شرکت کے لئے

- a- انفرادی صورت میں اکاؤنٹ ہولڈر اور / یا سب اکاؤنٹ ہولڈر جن کی رجسٹریشن کی تفصیلات سی ڈی سی ضوابط کے مطابق جاری کردی گئی ہیں، کو شناخت کے لئے اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ مع شرکت دار کے آئی ڈی نمبر اور اکاؤنٹ نمبر اجلاس میں شرکت کے وقت دکھانا لازمی ہوگا۔
- b- کارپوریٹ اینٹیٹی کی صورت میں بورڈ کی قرارداد / پاور آف اٹارنی نامزد کردہ کے دستخط کے نمونے کے ساتھ اجلاس میں شرکت کے وقت پیش کرنی ہوگی (اگر پہلے فراہم نہیں کی گئیں ہیں)۔

## B- پراکسیز کی نامزدگی

- a- انفرادی صورت میں اکاؤنٹ ہولڈر اور / یا سب اکاؤنٹ ہولڈر جسکی رجسٹریشن کی تفصیلات CDC ضوابط کے مطابق جاری کردی گئی ہیں، مذکورہ بالا درکار ضروریات کے مطابق پر کسی فارم جمع کروائیں گے۔
- b- پر کسی فارم کا دو افراد سے تصدیق شدہ ہونا لازمی ہے، جن کا نام، پتہ اور کمپیوٹرائزڈ شناختی کارڈ کے نمبرز فارم پر درج ہوں۔
- c- پر کسی فارم کے ساتھ پر کسی اور بینیفیشل اونرز کے کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقل منسلک کرنا ہوگی۔
- d- پر کسی کو اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ اجلاس کے وقت کمپنی کو پیش کرنا ہوگا۔
- e- کارپوریٹ اینٹیٹی کی صورت میں دستخط کے نمونے کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی پر کسی فارم کے ہمراہ کمپنی کو فراہم کرنا ہوگی (اگر پہلے فراہم کئے گئے ہوں)۔

5- شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے پتے میں ہونے والی کسی بھی تبدیلی سے (اگر کوئی ہو) شیئر رجسٹر ارفوری طور پر مطلع کریں۔

#### 6- کمپیوٹرائزڈ قومی شناختی کارڈ ("CNIC")

شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ کمپنی کے خود مختار رجسٹرار میسرز سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ، سی ڈی سی ہاؤس، 99-B، بلاک بی، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی کو اپنے کمپیوٹرائزڈ قومی شناختی کارڈ کی نقل فراہم کریں۔ اسکی واضح اسکین کی گئی ایک نقل بمع فوئیو نمبر اور خط و کتابت کے لئے موجودہ پتے کے ساتھ CNIC@jsil.com پر بھی بھیجی جاسکتی ہے۔

#### 7- الیکٹرانک موڈ کے ذریعے کیش ڈیویڈنڈ کی ادائیگی

کمپنیز ایکٹ 2017 کے سیکشن 242 کی شرائط اس بات کا ثبوت دیتا ہے کہ لسٹڈ کمپنی کی طرف سے اعلان کردہ کسی بھی کیش ڈیویڈنڈ کی براہ راست اثاثہ شدہ شیئر ہولڈرز کی طرف سے نامزد کردہ بینک اکاؤنٹ کے الیکٹرانک موڈ کے ذریعے ادائیگی کی جاسکتی ہے۔ چنانچہ کمپنی کے شیئر ہولڈرز سے درخواست ہے کہ وہ الیکٹرانک ڈیویڈنڈ مینڈیٹ کو e-dividend فارم پر فراہم کریں جو کہ کمپنی کی ویب سائٹ (www.jsil.com) پر دستیاب ہے، جو کمپنی کو اس قابل بنائیں کہ وہ اپنے مستقبل کے کیش ڈیویڈنڈ کو براہ راست اپنے نامزد کردہ بینک اکاؤنٹس میں کریڈٹ کروائیں۔

#### 8- سالانہ مالیاتی گوشواروں اور نوٹس کے لئے الیکٹرانک ترسیل (اختیاری)

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی 787 (I)/2014 SRO کے ذریعے دی گئی ہدایات کے مطابق، SECP نے کمپنیوں کو مذکورہ SRO میں دی گئی شرائط کی تکمیل سے مشروط سالانہ اجلاس عام کے نوٹس کے ساتھ سالانہ آڈٹ شدہ مالیاتی گوشواروں کی اپنے ممبرز کو بذریعہ ای میل ترسیل کی اجازت دی ہے۔ ممبرز کو نوٹس کے ساتھ سالانہ آڈٹ شدہ مالیاتی گوشواروں کی بذریعہ ای میل ترسیل مذکورہ نوٹیفیکیشنز میں تجویز کی گئی مخصوص شرائط سے مشروط کمپنیز آرڈیننس کے سیکشن 223 اور 233 کی متعلقہ شرائط کی تکمیل سمجھی جائے گی۔

اپنے ممبرز کی سہولت کے لئے کمپنی نے اسٹینڈرڈ درخواست فارم کمپنی کی ویب سائٹ (www.jsil.com) پر فراہم کر دیا ہے، تاکہ ممبرز اپنے ای میل ایڈریس سے آگاہ کریں اور نوٹس اور سالانہ آڈٹ شدہ مالیاتی گوشواروں کی الیکٹرانک ترسیل پر رضامندی ظاہر کر سکیں۔

9- SECP نے اپنے 31 مئی 2016 کے SRO 40 (I) / 2016 اور سیکشن (6) 223 کے ذریعہ کمپنیوں کو اپنے ممبران کے رجسٹرڈ پتوں پر ڈیجیٹل ریکارڈنگ ڈیوائسز جیسے، سی ڈی / وی ڈی / یو ایس بی کے ذریعے سالانہ بیلنس شیٹ، منافع اور نقصان کا اکاؤنٹ، آڈیٹرز کی رپورٹ اور ڈائریکٹرز کی رپورٹ وغیرہ (سالانہ آڈٹ اکاؤنٹ) کو تقسیم کرنے کی اجازت دی ہے۔ مذکورہ بالا کے پیش نظر، کمپنی نے اپنے شیئر ہولڈرز کو سی ڈی (ڈیجیٹل ڈسک) کی شکل میں اپنی سالانہ رپورٹ 2020 ارسال کر دی ہے۔ سالانہ رپورٹ 2020 کی طباعت شدہ کاپی کا تقاضہ کرنے والا کوئی بھی ممبر کمپنی کی ویب سائٹ پر موجود اسٹینڈرڈ ریکوئیسٹ (Standard Request) فارم کا استعمال کر کے درخواست بھیج سکتا ہے۔

#### 10- غیر اعلان شدہ ڈیویڈنڈ اور بونس شیئرز

شیئر ہولڈرز (جو کسی وجہ کی بناء پر) اپنے ڈیویڈنڈ یا بونس شیئرز یا اپنے فزیکل شیئرز کو حاصل نہیں کر سکے ہیں (اگر ایسا کوئی ہے) تو ان کو یہ مشورہ دیا جاتا ہے کہ وہ شیئر رجسٹرار میسرز سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ سے رابطہ کریں اور ان سے اپنے غیر اعلان شدہ ڈیویڈنڈ اور ریراٹو شیئرز (اگر کوئی ہو) کو حاصل / معلوم کریں۔ کمپنیز ایکٹ 2017 کے سیکشن 244 سے مطابقت رکھتے ہوئے، مقررہ طریقہ کار کے مکمل ہونے کے بعد، اس طرح کے تمام ڈیویڈنڈ اور شیئرز 3 سال یا واجب الادا تاریخ سے زیادہ مدت تک شاندار رہے اور غیر اعلان شدہ ڈیویڈنڈ کی صورت میں ادائیگی وفاقی حکومت کے کریڈٹ میں جمع کی جائے اور شیئرز کی صورت میں یہ ادائیگی SECP کو بھیجی جائے۔

#### 11-ای۔ووٹنگ (E-Voting)

ارکان کمپنیز ایکٹ 2017 کے سیکشن 143-145 اوپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کی قابل اطلاق شقوں کی ضرورت کو پورا کرنے کے تحت رائے شماری کے حق سے استفادہ حاصل کر سکتے ہیں۔

## کمپنیز ایکٹ 2017 کے سیکشن (3) 134 کی پیروی میں خصوصی کاروبار سے متعلق مادی حقائق کا اسٹیٹمنٹ

اس اسٹیٹمنٹ میں خصوصی کاروبار سے متعلق مادی حقائق بیان کئے گئے جن کے بارے میں سالانہ اجلاس عام میں کارروائی تجویز کی گئی ہے۔  
نوٹس کا ایجنڈا آئٹم نمبر 3 - متعلقہ پارٹیز کے درمیان سال ختمہ 31 دسمبر 2021 کے دوران کی گئی ٹرانزیکشنز کی توثیق / منظوری دینا۔

جیسا کہ مندرجہ ذیل ڈرافٹ قرارداد میں بیان ہے کہ کمپنی اور اس کے زیر انتظام فنڈز نے جے ایس بینک لمیٹڈ کے ساتھ ٹرانزیکشنز انجام دیں جو 09 اپریل 2021 کو منعقدہ گذشتہ سالانہ اجلاس عام کے دوران ممبران سے منظور شدہ ان کی خصوصی قرارداد کی اتھارٹی کے تحت عمومی کاروباری کورس کے تحت ایک خاص حدود میں رہتے ہوئے کی گئیں۔ لسطہ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی شق 15 اور کمپنیز (ریلیٹیو پارٹی ٹرانزیکشنز اینڈ مینیجمنٹس آف ریلیٹیو ریکارڈز) ریگولیشنز 2018 کی ریگولیشن 5 کے تحت سہ ماہی بنیاد پر ایسے تمام ٹرانزیکشنز اور بیلنسز جو بیلنس شیٹ کی تاریخ پر موجود ہوں گے وہ آڈٹ کمیٹی کی تجویز اور تجزیے کے بعد نظر ثانی کے لئے بورڈ آف ڈائریکٹرز کو پیش کیے جائیں گے۔

تاہم، جیسا کہ کمپنی کے ڈائریکٹرز (جناب طاہر علی شیخ، جناب امران علی شیخ، جناب مرزا اسد ید برلاس اور جناب حسن شاہد) کو درج ذیل ڈرافٹ قرارداد کے مطابق جے ایس بینک کے ساتھ لین دین کے امور میں دلچسپی کو زینور لایا گیا۔ لہذا کمپنی اور اس کے زیر انتظام فنڈز کے جے ایس بینک کے ساتھ کلینڈر سال ختمہ 31 دسمبر 2021 کے دوران کئے گئے لین دین کو شیئر ہولڈرز کے سامنے غور کرنے اور منظوری کیلئے پیش کیا جائے گا۔ متعلقہ پارٹی کے ساتھ یہ لین دین عمومی کاروباری کورس کے مطابق کمپنی کی آڈٹ کمیٹی کی اجازت کے بعد موثر انداز میں کیا جا رہا ہے۔

مندرجہ ذیل قرارداد کو ترمیم یا بغیر کسی ترمیم کے ایک خصوصی قرارداد کے طور پر منظور کرنے کی تجویز دی ہے:

"طے پایا کہ کمپنی اور اس کے زیر انتظام فنڈز کے تحت مالی سال ختمہ 31 دسمبر 2021 کے دوران جے ایس بینک کے ساتھ کئے درج ذیل ٹرانزیکشنز عمومی کاروباری کورس کے مطابق کی گئیں ان کی توثیق، منظوری اور تصدیق کی جاتی ہے۔

ایجنسی	اداشدہ کرایہ	وصول شدہ کرایہ	جے ایس بینک لمیٹڈ کے ساتھ بینک بیلنس	بینک ڈپازٹ پر منافع	میوچل فنڈ کی تقسیم پر شیئرنگ پر انتظامی فیس کی ادائیگی	تنخواہوں اور اجرتوں کی ری فنانسنگ اسکیم کے تحت قابل ادائیگی رقم	دیگر قابل وصول
جے ایس انویسٹمنٹس لمیٹڈ	2,679,488	2,409,149	23,694,615	1,835,887	2,858,326	40,396,148	1,465,064

فنڈ / اینٹیٹی	بینک بیننس / TDR بیننس JSBL میں	مارک آپ آمدنی	مارک آپ وصول شدہ	یونٹ کا اجراء اور چھٹکارہ
جے ایس اےکم فنڈ	309,540,547	25,402,780	1,997,090	-
جے ایس اسلامک اےکم فنڈ	3,321,582	-	-	-
جے ایس فنڈ آف فنڈز	1,684,871	551,782	82,796	-
جے ایس کیش فنڈ	334,998,454	495,024	144,867	950,000,000
جے ایس گروتھ فنڈ	97,042,702	4,428,108	742,711	-
جے ایس انیشن سیویٹو فنڈ - ایکویٹی سب - فنڈ	130,943	26,549	-	-
جے ایس لارج کیپیٹل فنڈ	6,785,248	646,280	59,399	-
یونٹ ٹرسٹ آف پاکستان	3,686,260	1,203,198	187,945	-
جے ایس اسلامک فنڈ	602,722	-	-	-
جے ایس اسلامک ہابزڈ فنڈ آف فنڈز متناسب	10,000	-	-	-

نٹس کا ایجنڈا آئٹم نمبر 4 - چیف ایگزیکٹو آفیسر کو اگلے سالانہ اجلاس عام تک جے ایس بینک لمیٹڈ (متعلقہ پارٹی) کے ساتھ کئے گئے اور کئے جانے والے ٹرانزیکشنز کی منظوری دینے کا اختیار دینا۔

کمپنی اور اس کے زیر انتظام فنڈز کو اگلے سالانہ اجلاس عام تک جے ایس بینک لمیٹڈ کے ساتھ کاروبار کے عمومی طریقہ کار کے مطابق محتاط انداز سے انجام دینا جاری رکھیں گے۔ ڈائریکٹرز کی اکثریت کو اس لین دین میں دلچسپی رکھنے کو زیر غور لایا گیا۔ لہذا متعلقہ پارٹیز کے ساتھ اس ٹرانزیکشنز کو کمپنیز ایکٹ 2017 کے سیکشن 208، لٹیکمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی شق 15 اور کمپنیز (ریلیٹڈ پارٹی ٹرانزیکشنز اینڈ مینجمنٹس آف ریلیٹڈ ریکارڈز) ریگولیشنز 2018 کی ریگولیشن 5 کے تحت شیئر ہولڈرز سے منظور کرانا ہوگا۔ یہ ٹرانزیکشنز معمولات کے مطابق ہیں جن میں کوئی معدی یا خصوصی سودے یا انتظامات شامل نہیں۔

کاروباری عمل کو روانی کے ساتھ جاری رکھنے کیلئے شیئر ہولڈرز چیف ایگزیکٹو کو متعلقہ پارٹیز کے کاروبار کو اگلے سالانہ اجلاس عام تک محفوظ طریقے سے انجام دینے کی منظوری کا مجاز قرار دے سکتے ہیں، جیسا کہ درج ذیل ڈرافٹ قرارداد (ترمیم کے ساتھ یا بلا ترمیم) میں موجود ہے۔ تاہم جے ایس بینک کے ساتھ ان ٹرانزیکشنز کو اگلی اے جی ایم میں شیئر ہولڈرز کے سامنے ان کی منظوری / تصدیق کیلئے پیش کرنا ہوگا۔ اس تجویز پر آڈٹ کمیٹی نے اجازت دے رکھی ہے۔

"طے پایا کہ کمپنی کے چیف ایگزیکٹو کو جے ایس بینک کے ساتھ آئندہ سالانہ اجلاس عام کاروبار کے عمومی طریقہ کار کے مطابق محتاط طور پر ہونے والی ٹرانزیکشنز کی منظوری کا اختیار ہوگا۔"

مزید طے پایا کہ یہ ٹرانزیکشنز حصص یافتگان کے سامنے توثیق / منظوری کے لیے اگلے سالانہ اجلاس عام میں رکھے جائیں گے۔

ڈائریکٹرز کی دلچسپی

ڈائریکٹرز کی اکثریت جے ایس بینک لمیٹڈ کے ملازمین ہیں اور کمپنی میں اپنی شیئر ہولڈنگ کی حد تک دلچسپی رکھتے ہیں۔



## Notice to Shareholders

Dear Shareholders,

### Subject: Conversion of all Physical shares in Book-Entry-Form

In order to ensure compliance with the provision of Section 72 of the Companies Act, 2017 and subsequent letter No.CSD/ED/Misc/2016-639-640 dated March 26, 2021 of SECP addressed to all listed Companies on the captioned subject. All Members who hold physical shares are hereby requested to make necessary arrangements for conversion of their physical shares into book-entry form in order to avail the following key benefits:

1. Physical share certificates may be lost, stolen or spoilt and their duplicate issuance is very cumbersome activity.
2. Physical shares are not saleable in stock exchange and book-entry shares can instantly be traded/sold.
3. For transfer/sale of book-entry shares, there is no need of preparation and verification of transfer deeds.
4. Only book-entry shares can be pledged for any financing facility.
5. Shareholders held share in book-entry form could get instant credit of bonus and right shares entitlements in CDS Accounts.
6. Online access is allowed on book-entry shares kept in CDS Account for reviewing portfolio information and/or obtaining any statement/report, as and when required by you.

In order to convert physical shares into book-entry form you are requested to kindly follow the procedure provided hereunder:

1. Shareholder must open an account in CDS with any CDC Participant (Stock Broker) or with CDC Investors Account Services (IAS).
2. Fill the necessary columns of Transfer Deed (TD) form available on the Company's website ([www.jsil.com](http://www.jsil.com)), sign, attach valid CNIC copy of yourself & witnessing person and get it verified by our Registrar before submission of physical shares for conversion. If Transfer Deed already verified skip this step.
3. Transfer duty is to be affixed @0.15% of the face value of shares on the reverse of transfer deed in form of share transfer stamps.
4. Obtain prescribed Securities Deposit Form (SDF) from your respective CDC Participant or CDC IAS Department and fill and sign the same.
5. Lodge original physical share certificates together with verified transfer deeds and Security Deposit Form to your respective CDC Participant (Stock Broker) or CDC IAS Department.
6. CDC Participant (Stock Broker) or CDC IAS Deposit Section initiates deposit request in CDS, on behalf of shareholder, after receiving original share certificates and verified transfer deeds and signed Security Deposit Form.
7. CDC Participant (Stock Broker) or CDC IAS Deposit Section sends physical share certificate, verified transfer deed and Security Deposit Form (obtained after initiating deposit request in CDS) to the Share Registrar.
8. Share Registrar after verifying the documents and getting necessary endorsement from the Company will deposit shares in CDS.

For any clarification in this regards please contact us or our share registrar at following contact details:

CDC Share Registrar Services Limited  
Email: [info@cdcsrsl.com](mailto:info@cdcsrsl.com), Website: [www.cdcsrsl.com](http://www.cdcsrsl.com)  
Contact Number: 92-21-111-111-500

JS Investments Limited  
Email: [info@jsil.com](mailto:info@jsil.com),  
Website: [www.jsil.com](http://www.jsil.com)  
Contact Number: 92-21-111-222-626

Yours Sincerely,  
Muhammad Khawar Iqbal  
Company Secretary

# FORM OF PROXY

## ANNUAL GENERAL MEETING

The Company Secretary,  
**JS Investments Limited**  
19th Floor, The Centre, Plot # 28,  
SB-5 Abdullah Haroon Road,  
Saddar, Karachi-75600

I/We \_\_\_\_\_ of \_\_\_\_\_ being member(s) of JS Investments Limited, holding \_\_\_\_\_ ordinary shares as per Registered Folio No. / CDC A/c No. (for members who have shares in CDS) \_\_\_\_\_ hereby appoint Mr. / Mrs. / Miss \_\_\_\_\_ of \_\_\_\_\_ (Folio no. CDC A/c No.) \_\_\_\_\_ or failing him/her Mr. / Mrs. / Mss \_\_\_\_\_ of \_\_\_\_\_ (Folio no. CDC A/c No.) \_\_\_\_\_ being member of the company, as my / our proxy to attend, act and vote for me / us and my / our behalf at the Annual General Meeting of the Company to be held on April 11, 2022 and / or any adjournment thereof.

As witness my / our hand seal this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

Signed by \_\_\_\_\_

In the presence of

### Witnesses:

1. Name \_\_\_\_\_  
Signature \_\_\_\_\_  
Address \_\_\_\_\_  
CNIC / Passport No. \_\_\_\_\_

2. Name \_\_\_\_\_  
Signature \_\_\_\_\_  
Address \_\_\_\_\_  
CNIC / Passport No. \_\_\_\_\_

Signature on Rs. 5/-  
Revenue Stamp

The Signature should  
agree with the specimen  
registered with the

### Important:

1. A member of the Company entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him/her.
2. This proxy form, duly completed and signed, must be received at the office of Company situated at The Centre, 19th Floor, Plot # 28 SB-5, Abdullah Haroon Road, Saddar Karachi- 75600 not later than 48 hours before the scheduled time of the meeting.
3. No person shall act as proxy unless he / she himself / herself is a member with the Company, except that a Corporation may appoint a person who is not a member.
4. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
5. Beneficial Owner of physical shares and the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxy are required to produce their original CNIC or passport for identification purpose at the time of attending the meeting. The form of proxy must be submitted within the stipulated time, duly witnessed by two persons whose names, addresses and CNIC numbers must be mentioned on the form, along with attested copies of CNIC or the passport of the beneficial owner and the proxy. In case of corporate entity, the Board of Directors' Resolution / power of attorney with specimen signature shall be submitted along with proxy form.



AFFIX  
CORRECT  
POSTAGE

The Company Secretary  
**JS Investments Limited**  
19th Floor, The Centre, Plot # 28,  
SB-5 Abdullah Haroon Road,  
Saddar, Karachi-75600

## سالانہ اجلاسِ عام

Annual Report 2021 | 130  **JS investments**  
Managing Mutual Funds Better!

درست نكٹ چپا نكٹ

كمپنی سكرٹری،  
جے ایس انویسٹمنٹس لمیٹڈ،  
دی سینٹر، انٹیویس منزل،  
پلاٹ 28، SB-5،  
عبداللہ ہارون روڈ،  
صدر، كراچی، 74400



## JS INVESTMENTS' OFFICES

### Karachi (Head Office)

19th Floor, The Centre,  
Plot No. 28, SB-5  
Abdullah Haroon road, Saddar,  
Karachi - South  
021-111-222-626

### Lahore

Ground Floor, No.25, Block -13,  
Plot No. 1- 4, Usman Block,  
New Garden Town,  
Lahore - Central  
042-383-020-94

### Islamabad

Office # 414, 4th Floor,  
PSX Tower, Jinnah Avenue,  
Islamabad - North  
051-2894423

 0800-00887  "Invest" to 8027  [ir@jsil.com](mailto:ir@jsil.com)  [www.jsil.com](http://www.jsil.com)

 [www.facebook.com/jsinvestments](http://www.facebook.com/jsinvestments)  <http://twitter.com/JSinvestment>

 <http://www.linkedin.com/company/js-investments-limited>